UNITED NATIONS

DP

Executive Board of the United Nations Development Programme and of the United Nations Population Fund

Distr.
GENERAL

DP/1997/14
18 March 1997

ORIGINAL: ENGLISH

Annual session 1997
12-23 May 1997, New York
Item 1 of the provisional agenda
UNDP

ORGANIZATIONAL MATTERS

Decisions adopted by the Executive Board at its second regular session 1997 (10-14 March 1997)

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97/7. Revision of UNFPA Financial Regulations

The Executive Board

Approves the inclusion of a new regulation 14.7 in the UNFPA Financial Regulations and Rules under Article XIV - "Internal Control":

"Regulation 14.7 In conformity with Executive Board decision 96/3, UNFPA may procure and hold stocks of essential contraceptive products in order to promptly respond to emergency requests for assistance. The inventory value of these stock holdings shall be shown in the accounts as an asset."

14 March 1997

97/8. United Nations Capital Development Fund

The Executive Board

1. Welcomes the report of the Administrator (DP/1997/9);

2. Endcrses the implementation of the new policy focus of the United Nations Capital Development Fund, which concentrates its activities on local governance, decentralization, participation and micro-financing;

3. Also endorses the current reorganization efforts, with a view to creating a more decentralized and effective organization and recommends that in the monitoring and evaluation, particular attention should be given to the modus operandi of the Fund and the relationship between headquarters and the field;

4. Encourages the Fund and the United Nations Development Programme to intensify their collaboration in all relevant areas, including in the design and implementation of country cooperation frameworks, taking into account the comparative advantages of the Fund, e.g., in the field of local governance and micro-financing;

5. Requests the Fund to improve the dissemination of successful project and programme experience in order to foster replication of these successes;

6. Welcomes the commitment of a number of donor countries to support the Fund in a more predictable and assured manner and invites traditional and new donors as well as recipient countries to contribute to the Fund.

14 March 1997

97/9. Guidelines for improving the implementation of regional cooperation programmes

The Executive Board

1. Requests the Administrator to present to the Executive Board for its consideration and approval at the first regular session 1998, an implementation strategy paper for each individual regional cooperation programme; the implementation strategy papers should incorporate the following elements:

(a) The findings of the United Nations Development Programme evaluation entitled "Global, interregional and regional programmes: an evaluation of impact" (November 1996);

(b) A more detailed assessment of lessons learned from previous regional cooperation programmes and their integration into the programming and implementation of the next programmes;

(c) A narrow range of priorities and themes, within a programme-based approach, focusing on areas requiring regional cooperation;

(d) The identification of the role and comparative advantage of UNDP participation in initiatives for regional cooperation and its collaboration with relevant bodies of the United Nations system, including the regional commissions;

(e) Clear linkages between thematic areas in regional programmes and global programmes and between thematic areas and activities in regional programmes and priority programmes at the country level;

(f) An articulation of the strategy through objectives-based programme management techniques, such as the logical framework technique;

(g) A clear presentation of expected results, including identification of target groups and beneficiaries;

(h) A clear linkage between programme objectives and budgetary resources for implementation;

(i) An estimate of resource allocation among thematic areas and institutions;

2. Also requests that each implementation strategy paper contain a strategy for monitoring and evaluation, including practical performance indicators and benchmarks, which will enable the Executive Board to assess the impact of regional cooperation programmes;

3. Emphasizes the need for clear, concise language in the presentation of the regional implementation strategy papers;

4. Also emphasizes the need for regional ownership of the regional programmes and the importance of strengthening the capacity for regional execution

by national, subregional and regional institutions, including by the private sector, non-governmental organizations, and academic institutions;

5. Further emphasizes the need to ensure sustainability in the implementation of thematic initiatives included in the regional cooperation programme;

6. Requests the Administrator to present at the first regular session 1998, a timetable for the mid-term review of all regional programmes and to include in the implementation strategy paper for each region a proposal concerning the methodology for the mid-term review;

7. Also requests the Administrator, based on the experience gained during the implementation of the present decision, to elaborate strategic guidelines for the development, implementation, monitoring and evaluation of the regional programme that will apply to all regions.

14 March 1997

97/10. Overview of decisions adopted by the Executive Board at its second regular session 1997

The Executive Board

Recalls that during the second regular session 1997 it:

ITEM 1: ORGANIZATIONAL MATTERS

Approved the agenda and work plan for its second regular session 1997 (DP/1997/L.2/Rev.1) as amended;

Agreed to the following schedule of future sessions of the Executive Board in 1997 and 1998 subject to approval of the Committee of Conferences:

Annual session 1997	12-23 May 1997
Third regular session 1997	15-19 September 1997
First regular session 1998	19-23 January 1998
Second regular session 1998	20-24 April 1998
Annual session 1998	8-19 June 1998 (Geneva)
Third regular session 1998	14-18 September 1998

Agreed to the subjects to be discussed at the annual session 1997 of the Board, as listed in table 3 of the annex;

UNDP SEGMENT

ITEM 2: COUNTRY COOPERATION FRAMEWORKS AND RELATED MATTERS

Adopted decision 97/9 of 14 March 1997 on guidelines for improving the implementation of regional cooperation programmes;

Approved the following regional cooperation frameworks taking into account the comments made thereon:

First regional cooperation framework for Africa (DP/RCF/RBA/1);

First regional cooperation framework for Asia and the Pacific (DP/RCF/RAP/1);

First regional cooperation framework for Europe and the Commonwealth of Independent States (DP/RCF/REC/1);

Approved the following country cooperation frameworks:

I

First country cooperation framework for Eritrea (DP/CCF/ERI/1);

First country cooperation framework for Ethiopia (DP/CCF/ETH/1);

First country cooperation framework for Mauritania (DP/CCF/MAU/1);

First country cooperation framework for Namibia (DP/CCF/NAM/1);

First country cooperation framework for Uganda (DP/CCF/UGA/1);

II

First country cooperation framework for Bhutan (DP/CCF/BHU/1);

First country cooperation framework for India (DP/CCF/IND/1);

First country cooperation framework for Laos (DP/CCF/LAO/1);

First country cooperation framework for Mongolia (DP/CCF/MON/1);

First country cooperation framework for Papua New Guinea (DP/CCF/PNG/1);

III

First country cooperation framework for Croatia (DP/CCF/CRO/1);

First country cooperation framework for Romania (DP/CCF/ROM/1);

First country cooperation framework for Uzbekistan (DP/CCF/UZB/1);

First country cooperation framework for Latvia (DP/CCF/LAT/1);

First country cooperation framework for Poland (DP/CCF/POL/1);

IV

First country cooperation framework for Colombia (DP/CCF/COL/1);

First country cooperation framework for Panama (DP/CCF/PAN/1);

V

Took note of the extension of the following country programmes:

Extension of the fifth country programme for Haiti (DP/CP/HAI/5/EXTENSION I);

Extension of the sixth country programme for Kenya (DP/CP/KEN/6/EXTENSION I);

VI

Took note of the first cooperation framework for technical cooperation among developing countries (DP/CF/TCDC/1) with comments made thereon;

VII

Took note of the note by the Administrator on assistance to Afghanistan (DP/1997/7);

Took note of the format and timing for review of the new programming cycle (DP/1997/CRP.7);

Took note of the earmarkings for the target for resource assignment from the core for 1997-1999 (DP/1997/8);

Took note of the note on national execution (DP/1997/CRP.8) with the comments made thereon;

ITEM 3. UNITED NATIONS CAPITAL DEVELOPMENT FUND

Adopted decision 97/8 of 14 March 1997 on United Nations Capital Development Fund;

ITEM 4. UNDP: FINANCIAL, BUDGETARY AND ADMINISTRATIVE MATTERS

Took note of strategy outline for the budget 1998-1999 (DP/1997/CRP.9) with comments made thereon;

UNFPA SEGMENT

ITEM 5: UNFPA: COUNTRY PROGRAMMES AND RELATED MATTERS

I

Approved the assistance to the Government of Angola (DP/FPA/CP/173);

Approved the assistance to the Government of Burkina Faso (DP/FPA/CP/187);

Approved the assistance to the Government of Central African Republic (DP/FPA/CP/182);

Approved the assistance to the Government of Comoros (DP/FPA/CP/171);

Approved the assistance to the Government of Eritrea (DP/FPA/CP/183);

Approved the assistance to the Government of Gambia (DP/FPA/CP/178);

Approved the assistance to the Government of Guinea (DP/FPA/CP/181);

Approved the assistance to the Government of Namibia (DP/FPA/CP/175);

Approved the assistance to the Government of Nigeria (DP/FPA/CP/190);

Approved the assistance to the Government of Senegal (DP/FPA/CP/176);

Approved the assistance to the Government of Togo (DP/FPA/CP/172);

Approved the assistance to the Government of Uganda (DP/FPA/CP/177);

II

Approved the assistance to the Government of India (DP/FPA/CP/193);

Approved the assistance to the Government of Lao People's Democratic Republic (DP/FPA/CP/174);

III

Approved the assistance to the English-speaking Caribbean countries (DP/FPA/CP/179);

Approved the assistance to the Government of Cuba (DP/FPA/CP/188);

Approved the assistance to the Government of the Dominican Republic (DP/FPA/CP/186);

Approved the assistance to the Government of Ecuador (DP/FPA/CP/192);

Approved the assistance to the Government of El Salvador (DP/FPA/CP/189);

Approved the assistance to the Government of Haiti (DP/FPA/CP/191);

Approved the assistance to the Government of Peru (DP/FPA/CP/185);

IV

Approved the assistance to the Government of Lebanon (DP/FPA/CP/184);

Approved the assistance to the Government of Sudan (DP/FPA/CP/194);

V

Approved the assistance to the Government of Albania (DP/FPA/CP/180;

ITEM 6: OTHER MATTERS

Took note of the report on follow-up to the Economic and Social Council resolution 95/56 (DP/1997/CRP.10);

Took note of the response to the recommendations of the external evaluation of the United Nations Development Fund for Women (DP/1997/CRP.11) with the comments made thereon;

Took note of the oral report on the Reserve for Field Accommodation;

Took note of the oral report on the accountability system of UNDP;

Took note of the oral report on follow-up to Executive Board decision 97/1: UNICEF/WHO/UNFPA Coordinating Committee on Health;

Approved the nominations of Antigua and Barbuda, Netherlands, Russian Federation and Zambia to represent the Executive Board on the new UNICEF/WHO/UNFPA Coordinating Committee on Health and authorized the Bureau to approve a nomination from the Asia and Pacific region, with the nominations of all representatives and alternates to be confirmed at the annual session; also approved that the President of the Executive Board serve as ex officio member of the Committee.

Adopted decision 97/7 of 14 March 1997 on the revision of UNFPA Financial Regulations.

14 March 1997

ANNEX

EXECUTIVE BOARD OF UNDP/UNFPA TENTATIVE AGENDA FOR 1997

Table 1. First regular session 1997 (13-17 January 1997)
(5 working days)

Item No.	Nature of report	Action/ Information	Time Allotted	Item and subject
1				ORGANIZATIONAL MATTERS
	Official (DP/1997/L.1)	A		Provisional agenda, annotations, list of documents
	Official	A		Report on the third regular session 1996
	Official	I	1/2 day	Decisions adopted by the Executive Board in 1996
	CRP	I		Matters relating to the rules of procedure, documentation and functioning of the Executive Board
	CRP	A		Annual work plan 1997 for UNDP/UNFPA Executive Board
				UNFPA SEGMENT
2				COUNTRY PROGRAMMES AND RELATED MATTERS
	Official	A	1 day	Country programmes
3				FINANCIAL, BUDGETARY AND ADMINISTRATIVE MATTERS
	Official	I	1/2 day	Audit reports
4	Official	A	1/2 day	COORDINATION IN HEALTH POLICY AND PROGRAMMING
				UNDP/UNFPA SEGMENT
5				HARMONIZATION OF PRESENTATION OF BUDGETS
	Official	A	1/2 day	Harmonization of presentation of budgets and accounts
				UNDP SEGMENT
6				COUNTRY COOPERATION FRAMEWORKS AND RELATED MATTERS
	Official	A	1/2 day	Country cooperation frameworks and global/regional cooperation frameworks
7				FINANCIAL, BUDGETARY AND ADMINISTRATIVE MATTERS
	Official	I		Audit reports

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Item No.	Nature of report	Action/ Information	Time Allotted	Item and subject
1				ORGANIZATIONAL MATTERS
	CRP	I		Implementation of decision 96/40 on management, accountability and reserve for field accommodation
	CRP	I	1/2 day	Additional information on cost segments at UNDP headquarters
	Oral	I		Report on the accountability system of UNDP
8				UNITED NATIONS DEVELOPMENT FUND FOR WOMEN
	CRP	I	1/2 day	Follow-up to decision 96/43
9				OTHER MATTERS
	CRP	I	1/4 day	Follow-up to Economic and Social Council resolution 95/56

Abbreviations: A = action; CRP = conference room paper; and I = information.

Table 2. Second regular session 1997 (10-14 March 1997)

(5 working days)

Item No.	Nature of report	Action/ Information	Time Allotted	Item and subject
1				ORGANIZATIONAL MATTERS
	Official (DP/1997/L.2)	A		Provisional agenda, annotations, list of documents
	Official	A		Report on the first regular session 1997
				UNDP SEGMENT
2			1½ days	COUNTRY COOPERATION FRAMEWORKS AND RELATED MATTERS
	Official	A		Country cooperation frameworks and regional cooperation frameworks
	CRP	A		Format and timing for review of the new programming arrangements (96/7)
	Official	I		Earmarkings for the target for resource assignment from the core (TRAC) for 1997-1999
	CRP	I	½ day	National execution
3				UNITED NATIONS CAPITAL DEVELOPMENT FUND
	Official	A	½ day	United Nations Capital Development Fund (including strategy and business plans)
4				FINANCIAL, BUDGETARY AND ADMINISTRATIVE MATTERS
	CRP	A		Outline of overall strategy for the budget for the biennium 1998-1999
			½ day	(96/41, para. 4)
	Oral	I		Report on the accountability system of UNDP
				UNFPA SEGMENT
6	Official	A		COUNTRY PROGRAMMES AND RELATED MATTERS
7				OTHER MATTERS including:
	Oral	I		- Report on Reserve for Field Accommodation
	CRP *	I	2 days	- Revised report on follow-up to ECOSOC resolution 95/56
	CRP	I		- Response to the recommendations of the external evaluation of UNIFEM

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Item No.	Nature of report	Action/ Information	Time Allotted	Item and subject
	Official	A		- Proposed revision of UNFPA Financial Regulations
	Oral	I		- Report on the UNICEF/WHO/UNFPA Coordinating Committee on Health

Abbrev tions: A = action; CRP = conference room paper; and I = information.

Note: Informal consultations on UNDP Change Management held during the session.

Table 3. Annual session 1997 (12-23 May 1997)
(10 working days)

Item No.	Nature of report	Action/ Information	Time Allotted	Item and subject
1				ORGANIZATIONAL MATTERS
	Official (DP/1997/L.3)	A		Provisional agenda, annotations, list of documents/work plan
	Official	A		Report on the first and second regular sessions 1997
	Official	A		Rules of procedure: report of ad hoc open-ended working group
				UNFPA SEGMENT
2	Official			REPORT OF THE EXECUTIVE DIRECTOR FOR 1996
		I	1½ days	- Programme priorities
		I		- Statistical overview
		I		- Regional overview
3	Official	I	½ day	- Evaluation activities
4	Official	A	½ day	WORK PLAN FOR 1998-2001
5	Official	A	1 day	PROGRAMMING PROCESS
6	Official	A	½ day	INFORMATION AND COMMUNICATION STRATEGY
				UNDP/UNFPA SEGMENT
7	Official	I		Reports of UNDP and UNFPA to the Economic and Social Council
2 & 8	Official	I	½ day	Reports of UNDP and UNFPA on internal oversight
				UNDP SEGMENT
8				ANNUAL REPORT OF THE ADMINISTRATOR
	Official	A		Introduction by the Administrator
	Official	A		Main programme record, including reporting on special funds (7 parts)
	Official	I		United Nations System-wide Special Initiative for Africa
	Official	I		Assistance to the Palestinian people
	Official	I	2½ days*	Evaluation
	Official + CRP	A		Change management
	Official	I		Report of the Joint Inspection Unit
	Official	I		Statistical annex
	CRP *	I		Resources

* Timing includes one day special event on poverty eradication to be held on Tuesday, 20 May 1997.

Item No.	Nature of report	Action/ Information	Time Allotted	Item and subject
9				COUNTRY COOPERATION FRAMEWORKS AND RELATED MATTERS
	Official	A	½ day	Country cooperation frameworks and regional cooperation frameworks
10				COMMUNICATION AND INFORMATION PROGRAMME
	Official	I	½ day	UNDP information and publication policy (96/22)
11				UNITED NATIONS DEVELOPMENT FUND FOR WOMEN
	Official	A	½ day	United Nations Development Fund for Women (95/18)
12				FINANCIAL, BUDGETARY AND ADMINISTRATIVE MATTERS
	CRP	I	1 day	Report on the accountability system of UNDP
13				UNITED NATIONS OFFICE FOR PROJECT SERVICES
	Official	A		Report on the United Nations Office for Project Services (96/33)
14			½ day	OTHER MATTERS

Abbreviations: A = action; CRP = conference room paper; I = information; and ICPD = International Conference on Population and Development.

Table 4. Third regular session 1997 (15-23 September 1997)

(5 working days)

Item No.	Nature of report	Action/ Information	Time Allotted	Item and subject
1				ORGANIZATIONAL MATTERS
	Official (DP/1997/L.4)	A		Provisional agenda, annotations, list of documents
	Official	A	½ day	Report on the annual session 1997
	CRP	I		Outline for Executive Board work plan 1998
				UNDP SEGMENT
2				FINANCIAL, BUDGETARY AND ADMINISTRATIVE MATTERS
	Official	A		Budget estimates for the biennium 1998-1999 - 96/41, para. 4 - (including detailed costs of publication and of their distribution - 96/22)
	Official	A	1½ days	Revised budget estimates for the biennium 1996-1997
	Official	I		Annual review of the financial situation 1996
	Official	I		Activities of Inter-Agency Procurement Services Office
	Official	I		Subcontracts awarded and major equipment ordered
3				UNOPS: FINANCIAL, BUDGETARY AND ADMINISTRATIVE MATTERS
	Official	A		Budget estimates for the biennium 1998-1999
	Official	A	½ day	Revised budget estimates for the biennium 1996-1997
	Official	I		Audit reports
4				COUNTRY COOPERATION FRAMEWORKS AND RELATED MATTERS
	Official	A	½ day	Country cooperation frameworks and regional cooperation frameworks
		A		Revised global cooperation framework (97/5

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Item No.	Nature of report	Action/ Information	Time Allotted	Item and subject
1				ORGANIZATIONAL MATTERS
				UNFPA SEGMENT
6				FINANCIAL, BUDGETARY AND ADMINISTRATIVE MATTERS
	Official	A		Biennial budget estimates
	Official	A		Annual financial review, 1996
	Official	I	1½ days	Implementation and monitoring of technical support services arrangements
	Official	I		Evaluation of UNFPA training activities
7	Official	A	½ day	COUNTRY PROGRAMMES AND RELATED MATTERS
8				OTHER MATTERS

Abbreviations: A = action; CRP = conference room paper; I = information; and UNOPS = United Nations Office for Project Services.

Note: Review of field visits will be taken up in informal consultations during the session.

UNITED NATIONS

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Executive Board of the United Nations Development Programme and of the United Nations Population Fund

Distr.
GENERAL

DP/1997/15
3 March 1997

ORIGINAL: ENGLISH

Annual session 1997
12-23 May 1997, New York
Item 7 of the provisional agenda

REPORTS TO THE ECONOMIC AND SOCIAL COUNCIL

Report of the Administrator

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PURPOSE

In compliance with Economic and Social Council resolutions 1996/42, 1996/36 and 1996/43, this report is submitted in a common reporting format agreed on by the United Nations Development Programme (UNDP), the United Nations Children's Fund (UNICEF), the United Nations Population Fund (UNFPA) and the World Food Programme (WFP). The report takes into account the comments and recommendations of the Executive Board on the report to the Council for 1995.

EXECUTIVE BOARD ACTION

The Executive Board may wish to take note of the present report and transmit it, with its comments, to the Council.

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97-05618 (E)

PART ONE

FOLLOW-UP TO THE IMPLEMENTATION OF GENERAL ASSEMBLY RESOLUTIONS 47/199 AND 50/120 AND TO ECONOMIC AND SOCIAL COUNCIL RESOLUTION 1996/42

I. INTRODUCTION

1. In the course of 1996, UNDP, in collaboration with other United Nations entities, continued to implement measures called for by the series of triennial policy reviews undertaken by the General Assembly, which led up to General Assembly resolution 50/120.

2. Implementation by UNDP of General Assembly resolution 50/120 was undertaken entirely in keeping with the management process set up in compliance with paragraph 52 of the resolution and contained in annex II of the report entitled "Operational activities of the United Nations for international development cooperation: Progress on the implementation of General Assembly resolution 50/120" (E/1996/64). That report gave due attention to resources, capacity-building, and field and regional coordination, which the Council will review at its 1997 substantive session on the basis of a progress report by the Secretary-General. Accordingly, the present report focuses on matters specific to UNDP.

II. PROGRAMME MATTERS

A. Programme approach

3. UNDP has played a key role in the development of a common understanding of the programme approach which is now contained in the Operational Activities Reference Manual published in 1996 by the Consultative Committee on Programme and Operational Questions (CCPOQ) with significant substantive and financial support from UNDP. Efforts are now under way to further refine the procedures for the programme approach in order to facilitate its application in all regions where UNDP operates. In February 1997 UNDP participated in a CCPOQ workshop on best practices under the resident coordinator system. In that workshop, the United Nations system-wide common understanding on the programme approach was reviewed and improved in light of country-level experience. Publication of the CCPOQ manual, and specifically its section on the programme approach, reflects the endorsement of the programme-approach concept and its practice system-wide. While there is some consensus on the concept of programme approach, its actual application varies greatly and is not yet widespread among United Nations agencies. In 1997, UNDP will conduct a strategic evaluation of the programme approach, from the UNDP perspective, to analyse its application, identify constraints and make recommendations.

4. The governing bodies, the Executive Board and the Council may wish to recognize and further encourage the system-wide scope of the programme approach and the efforts being undertaken by UNDP and CCPOQ in that regard.

B. Harmonization of programme cycles and programming procedures

5. Throughout 1996, UNDP was active in the Subgroup on Harmonization of Policies and Procedures of the Joint Consultative Group on Policy (JCGP) and chaired the JCGP Subgroup on Harmonization of Country-level Programming-cycle Implementation and Management. By the time of this report, programming cycles had been harmonized in 27 countries. In another 54 countries they will be harmonized by 1999, while in a further 26 they are likely to be harmonized thereafter. Eight countries constitute special cases, where for various reasons such as emergency situations, programming cycles are unlikely to be harmonized in the foreseeable future. UNDP has made clear to country offices that the new successor programming arrangements with the three-year rolling financial cycle are fully in keeping with the harmonization of the UNDP country cooperation frameworks (CCFs) with the country programming arrangements of other agencies since the determining factor for harmonization is a country's own planning cycle, the three-year rolling cycle of UNDP being merely a financial management device. Ideally, the planning time-frame for country cooperation frameworks and for the programmes of other funds and agencies should be the relevant planning time-frame of the national government concerned.

6. UNDP participated in the implementation of the common country assessment (CCA), a JCGP exercise to rationalize the collection of socio-economic data at country level for purposes of preparing, monitoring and assessing country programmes. It is planned that the finalized guidelines for CCA will be distributed in March 1997. CCA is to become the basis for all country programmes in the present programming cycle. During the current programming period, it will also serve as a basis for reviewing and adjusting programmes as they evolve.

7. The governing bodies may wish to recognize the progress achieved so far by JCGP and endorse and further encourage the use of CCA as an instrument of vital importance for ensuring compatibility of and harmonization among country programmes of individual funds and programmes.

C. Common operational activities reference manual

8. As indicated in the report on follow-up to the decisions taken by the Economic and Social Council at its substantive session of 1996, CCPOQ, with considerable substantive and financial assistance from UNDP, published an operational activities reference manual, which has now been forwarded to all country offices and will serve as a unifying framework within which each agency will operate using its own detailed operational procedures. The Manual represents a common denominator for a common conceptual understanding of operational activities. It is a living instrument which will be continually updated. As a result of the CCPOQ workshop held in February 1997, several chapters of the Manual are being updated by the CCPOQ secretariat.

9. The governing bodies may wish to recognize the CCPOQ Manual as a specific system-wide response to the call for a common manual emerging from such

intergovernmental legislation as General Assembly resolutions 47/199 and 50/120 and to encourage its development and expansion.

D. Capacity-building

10. In 1996 capacity-building continued to be a primary tool in the hands of UNDP for helping programme countries to strive for the goal of sustainable human development. The assessment of UNDP conducted by the Governments of Denmark, India, Sweden and the United Kingdom in 1995 was fed back into UNDP efforts in the realm of policy development. UNDP has some four decades of experience in capacity-building, and the leitmotif of the assessment was the comparative advantage of UNDP in capacity-building in programme countries whereas dispersed, grass-roots interventions, are best left to civil society organizations. In 1996, in addition to the emphasis laid on the need to develop good governance, the importance of capacity-building, particularly in the management and coordination of and by nationals, was reaffirmed as an integral part of the mission of UNDP. Capacity-building in which UNDP participated in past decades is largely responsible for the achievements of the newly industrializing countries, which are now themselves emerging as donors. In order to be approved, any country cooperation framework for the programming cycle which begins in 1997 must explicitly target capacity-building. As a follow-up to the assessment of UNDP, UNDP has accepted a trust fund from Denmark for the equivalent of about $8 million for new initiatives by UNDP in capacity-building in specific programme countries.

11. An important subset of capacity-building activities are those related to capacity-building for the coordination and management of aid. A study entitled "Aid coordination and management: A role for UNDP", published by UNDP in 1996 establishes the strategy and policy of UNDP in the area of the coordination and management of aid recognizes that those functions are primarily the responsibility of the Governments of programme countries, the role of UNDP being that of assisting countries, at their request, to strengthen their capacity in that area and also of providing direct support to (a) the coordination and management process through mechanisms such as round-tables and (b) the resident coordinator system.

12. The governing bodies may wish to recognize the progress made by UNDP in defining its role in capacity-building and to encourage it to make further refinements in that regard to focus its concentration more sharply on that role in its operational activities and to promote the integration of its programme role (a) in helping to build national capacity for the coordination and management of aid and (b) in providing direct support to the coordination process.

E. Monitoring and evaluation

13. In 1996, the JCGP Subgroup on Harmonization of Policies and Procedures finalized the common guidelines on monitoring and evaluation, which UNDP has shared with all country offices. These guidelines are the result of an extensive review of monitoring and evaluation procedures by JCGP and provide a single set of parameters based on common terminology and concepts defined in

previous JCGP efforts. They deal with monitoring and evaluation at the project and programme levels and recommend a common approach to mid-term reviews of country programmes and CCFs.

14. The Inter-agency Working Group on Evaluation, chaired by UNDP, met in Geneva in November 1996 and exchanged information and proposals relating to enhanced coordination among evaluation offices of the United Nations system and the Bretton Woods institutions. Matters discussed included performance rating systems in the Development Assistance Committee (DAC) and the World Bank and issues related to evaluation and to oversight and harmonization.

15. UNDP is currently developing a more comprehensive system for absorbing lessons learned into its managerial and decision-making forums. Several mechanisms are now in operation for disseminating lessons learned and promoting their application in new projects and programmes. These include:

(a) Decentralization of institutional memory, in which summaries of individual project/programme evaluations are registered in a central evaluation database (CEDAB) now containing over 1,500 summaries. CEDAB is currently being redesigned in a more user-friendly format and decentralized to all UNDP units at headquarters and in the field and to other United Nations agencies and donors. Easy access to CEDAB will enable project/programme managers to learn about the best and worst practices and the lessons learned from past evaluations in similar sectors, themes, regions or countries;

(b) Training and workshops. In this connection UNDP conducted subregional workshops in new dimensions in monitoring and evaluation at Kuala Lumpur and Prague, in which stress was laid on the application of lessons learned. These were attended by UNDP national officers, government officials with evaluation responsibilities and representatives of NGOs;

(c) Publication and dissemination of all strategic thematic evaluation results. Evaluation reports systematically include a section on findings, evaluations and lessons learned and are distributed to a large audience within UNDP, including the Executive Board and donor agencies; to other bodies in the United Nations system and to academic institutions and other bodies to which experts in evaluation contribute;

(d) Application of lessons learned. No new project or programme should be considered for approval by the UNDP Programme Management Oversight Committee (PMOC) or the Project Appraisal Committees (PAC) of the regional bureaux before a comprehensive search for relevant lessons has been conducted and the application of those lessons has been suitably incorporated into the design of the projects and/or programmes concerned.

16. To strengthen further its monitoring and evaluation capacities, UNDP has identified the following objectives: (a) adaptation of current monitoring and evaluation requirements and guidelines to new programming arrangements; (b) introduction of new methodological developments which have emerged from the international donor community; (c) incorporation of new modalities, such as national execution, the programme approach, and participatory development, into

the monitoring and evaluation system; (d) achievement of a harmonized monitoring and evaluation system for all United Nations agencies; and (e) incorporation of the lessons learned from experience with a view to feeding them back into the system. In 1996 the UNDP Office of Evaluation and Strategic Planning (OESP) revised the 1988 monitoring and evaluation guidelines prepared in 1988, taking the above objectives into account.

17. Since the adoption of the national execution modality, UNDP has been especially active in the strengthening of national monitoring and evaluation capacities. Projects aimed specifically at developing national capacities for monitoring and evaluation are in implementation in Brazil, Colombia, El Salvador, Guyana, Kenya, Morocco and South Africa. By promoting the participation of government evaluation personnel workshops like these help to develop the capacity of Governments in this area.

18. UNDP encourages joint evaluations, in which other agencies participate when they are clearly involved in a project or programme and would provide significant input in the evaluation process. Joint evaluations have proved quite successful at the country level but are more difficult to coordinate at headquarters because monitoring and evaluation guidelines and requirements are not effectively harmonized among different United Nations agencies and the negotiation process is slower and more complex. One practical step taken by UNDP with regard to joint evaluations by United Nations bodies is an evaluation of cooperation activities with Cape Verde involving UNDP, UNICEF, the International Fund for Agricultural Development, WFP, the Food and Agriculture Organization of the United Nations, the World Health Organization, the International Labour Organization (ILO) and the United Nations Industrial Development Organization.

19. At the central level, UNDP undertook six main evaluations in 1996. These included evaluations of (a) the environmental projects undertaken in Latin America and the Caribbean; (b) the efforts to strengthen the work of the resident coordinators; (c) global, interregional and regional programmes; (d) the fifth cycle special programme reserve; (e) co-financing modalities and (f) the exercise relating to public sector management and reform in the Arab States region. Where policy formulation and new programme design are concerned, UNDP has been relying increasingly on comprehensive thematic and strategic evaluations such as these because they make it possible to draw lessons from a large sample of projects and programmes whereas evaluations of individual projects yield data from which it is harder to generalize.

20. The governing bodies may wish to take note of the progress achieved by UNDP in the area of monitoring and evaluation and to encourage further efforts in effective harmonization of monitoring and evaluation activities among funds, programmes and agencies of the United Nations system.

F. Field and regional coordination

21. The integrated follow-up on United Nations conferences provided an opportunity to coordinate United Nations activities at three levels, i.e., at global level, through the Administrative Committee on Coordination (ACC) and its

inter-agency task forces; at regional level, through regional meetings of agencies members of ACC, chaired by the Executive Secretaries of the regional economic commissions; and at country level, through task forces operating within the resident coordinator system.

22. In 1996, UNDP continued to promote periodic consultations with the Executive Secretaries of the regional commissions by holding two meetings of the Administrator, the Associate Administrator and the Executive Secretaries on the occasion of each of the two sessions of ACC. Collaboration between UNDP and the regional commissions includes policy analysis, involvement in regional meetings, exchange of information and joint efforts in project implementation. In 1996, a further flagship project was identified in each region to serve as a vehicle for a policy dialogue on programme themes of relevance to the regions between UNDP and the commission concerned.

23. Regarding country-level coordination, in 1996, UNDP continued to fund the resident coordinator function at the level of some $100 million annually. Staff costs of the resident coordinator and support staff directly related to this function were also covered by this figure, which accounts for nearly one third of the country office annual administrative budget for direct support to the United Nations system and resident coordinator activities. Specifically, UNDP has moved to strengthen the resident coordinator system by (a) broadening the selection pool of candidates to include other agencies; (b) providing operational funding for resident coordinator work per se in 1996, a move which dovetails with the new arrangements approved by the Board for 1997-1999; (c) expanding training programmes held in connection with the United Nations Staff College at Turin; (d) supporting the management process developed by the United Nations to ensure implementation of General Assembly resolution 50/120; (e) preparing tighter management and personnel performance appraisals; (f) ensuring policy coherence and coordination both at headquarters and at country level by meeting the coordination responsibilities entrusted to the Administrator by the Secretary-General. Significant outstanding issues related to the resident coordinator system include increasing the commitment of all system partners to the system and strengthening the legislative basis for the resident coordinator function.

24. The governing bodies may wish to recognize the contribution made by UNDP to coordination in the field and at the regional level and to encourage further harmonization of the coordination at the global, regional and country levels.

II. MANAGEMENT, PERSONNEL AND FINANCE

A. Management audit systems and aid accountability

25. In 1996 direct collaboration continued between the internal audit services of UNDP and those of United Nations bodies. Consultations were held on the development of databases of common audit findings, the need to ensure a similar scope for management audits so as to permit coordinated corrective action and the use of outside contractors to conduct internal audits. For its part, UNDP made the goal of ensuring optimal accountability one of its five corporate

objectives for 1996. In pursuit of this objective it (a) expanded audit coverage in an innovative and cost-effective manner, establishing regional service centres, one for Africa and the other for Asia; (b) established an accountability framework covering all key management systems for implementation in 1997; (c) set up mechanisms, such as the Standing Committee for Personal Responsibility and Financial Liability, to ensure rapid review and decision-making in accordance with due process; (d) established a database to track the implementation of internal audit; (e) established transparent, peer-review procedures for staff evaluations, hiring, promotion and assignments; (f) consolidated all cases involving account-ability into one database; (g) implemented procedures for imposing personal liability for loss to the organization and penalizing infractions of financial rules and regulations; (h) ensured that all staff is regularly apprised of actions taken when infractions occur; and (i) increased the compliance rate for audits of nationally-executed projects from 8 per cent in 1989 to 70 per cent in 1996.

B. Harmonization of budget presentations

26. In compliance with decision 94/30 of the Executive Board of the United Nations Development Programme (UNDP) and of the United Nations Population Fund (UNFPA) enormous progress has been made in the harmonization of budget presentations. A report entitled "Harmonization of budgets: UNDP, UNFPA and UNICEF" (DP/1997/2, E/ICEF/1997/AB/L.3), which was submitted to the Board at its first regular session in January 1997, contained a proposal for a common format for presentation of the biennial support budget, a compendium of common terms and definitions and a common methodology for the preparation of budget estimates. The relevant Executive Boards approved the common format following direct consultations between their finance divisions, which then briefed the Boards.

C. Common premises and administrative services

27. With UNDP in the chair in 1996, the JCGP Subgroup on Common Premises and Services reviewed the actions taken to establish common premises and agreed that the methodology and operational guidelines for development and implementation of common premises and the mandate of the Subgroup should be improved. In particular, the Subgroup noted the absence of technical expertise in the areas of real estate and facility management. In its consultations with sister bodies, UNDP has stressed the importance of common services as a prerequisite for the establishment of common physical premises.

28. The Subgroup expects, with the assistance of real estate management consultants with extensive international links, to produce the following outputs in 1997: revised terms of reference for the Subgroup; a definition of specific criteria and operational guidelines for ownership and/or eventual disposal of properties; and operational guidelines for establishing common premises in the future, covering, among other matters, cost- and service-sharing, cost control, project management and partial or total disposal or enlargement of properties and a methodology for cost/benefit analysis for decision-making in the area of common premises and services.

29. The governing bodies may wish to acknowledge the progress made so far on common premises and services and to reaffirm the need to increase efficiency through, inter alia, consolidation of administrative infrastructures of the organizations by establishing, in cooperation with host Governments, common services and, where appropriate, common premises.

PART TWO

FOLLOW-UP TO GENERAL ASSEMBLY RESOLUTION 50/227

I. ANALYTICAL ASSESSMENT OF THE IMPLICATIONS ON OPERATIONAL ACTIVITIES OF RECENT TRENDS IN CORE AND OTHER RESOURCES

30. An analysis of trends in UNDP resources availability in 1996 and previous years indicates continued strong growth in overall resources attributable primarily to increases in non-core resources, whereas core resources have remained stagnant. Annual contributions to the core resources of UNDP over the fifth cycle have fluctuated from a high of $1,177,900,000 in 1992 to $903,000,000 in 1995 and an estimated $850,000,000 in 1996. Pledges for 1997 and other estimates indicate that core resources in that year will be slightly higher than the $850,000,000 expected for 1996. Overall resources, including both core and non-core resources have, however, over the same period grown from $1,739,100,000 in 1992 to $1,925,000,000 in 1995, with an estimated $2,000,000,000 for 1996. The conclusion is quite clear: all contributors to UNDP - both traditional donors and programme countries - have as a group experienced constraints in expanding core funding. An analysis of the causes of this phenomenon will point to the ways in which UNDP must move in order to remain a well-funded organization.

II. RECOMMENDATIONS ON INCREASING CORE RESOURCES

31. Core resources remain the primary means of providing impartial, universal multilateral assistance and will continue to be the foundation of the resource bases of UNDP. No organization can be truly multilateral without core resources. Donations to the core resources of UNDP are now apt to be directed towards a smaller group of countries and a smaller number of activities which relate to sustainable human development. Not only do these countries and activities coincide with the interests of specific constituencies in the donor countries but they also reflect the results of major United Nations conferences, such as the World Summit for Social Development, and hence represent the consensus of the majority of nations.

32. Nonetheless, it is proving difficult to expand the reservoir of core contributions. Emerging donors in particular set their sights on their own regions or on countries to which they have geographical, historical and cultural ties. They may not have the same goals as the traditional donors vis-a-vis the relatively small group of low-income countries which can benefit the most from core resources and consequently they tend to seek out trust funds or project

cost-sharing schemes which target their own or regions or individual countries in those regions instead of donating to the UNDP core. Budgetary restrictions in major traditional donors currently appear to be imposing a ceiling on UNDP core contributions even though such activities are largely used to provide sustainable human development in low-income countries and therefore clearly reflect the aid objectives of those donors.

33. The following three approaches to increasing core contributions may therefore be taken:

(a) Making UNDP more efficient and transparent so as to increase its attractiveness at a time when major traditional donors may be downsizing their own aid infrastructure and institutions. By aiming at a similar group of countries and making sustainable human development its overall goal, UNDP may well become an increasingly more attractive channel for traditional donors. At a high-level meeting held in 1996 on multilateral cooperation by the Development Assistance Committee (DAC) of the Organisation for Economic Cooperation and Development (OECD), all donors were urged to give serious thought ways of achieving the best possible mix between bilateral and multilateral aid. UNDP and its sister agencies need to demonstrate the efficiency, transparency and credibility of multilateral aid as a vehicle for achieving the ultimate goals of people-centred, sustainable development which the world community subscribed to at the World Summit for Social Development;

(b) Showing emerging donors that, as economic globalization continues, the countries targeted for core funding by UNDP are potential economic partners of emerging donors and that contributions to core resources help those potential partners develop and open the way to mutual long-term benefits. It is challenging to try to convince donors to contribute to core resources since donations to non-core funds give them greater control over the destination of their donations, but they must be convinced if multilateral cooperation is to survive;

(c) Seeking additional core contributions from net recipient countries, who are the primary beneficiaries of the core fund.

III. ADOPTED TARGETS

34. The introduction of the resource mobilization target (RMT) as an integral element of CCFs reflects a recognition of the importance of both core and non-core resources in coming years and, in particular, constitutes an acknowledgement of the insufficiency of core resources to meet the goals of CCFs. The RMTs will also serve as a basis by which programmes can be evaluated once resource mobilization is an eloquent indicator of any programme's relevance to donors and recipients. The RMT clearly reflects the decentralized nature of the current UNDP resource mobilization strategy. It is the responsibility of those at country level - in both the host Government and the UNDP office - to do everything in their power to convert the RMT into reality.

IV. PRIORITIES AND PROGRAMMES AGREED BY THE EXECUTIVE BOARD

35. A number of landmark decisions adopted by the Executive Board, including decisions 94/16 and 95/23, have changed the mechanism by which UNDP mobilizes and allocates its resources. Emphasis has shifted from the entitlement-based indicative planning figure (IPF) system to a performance-based target for resource assignment from the core (TRAC), in which the interdependence between core and non-core resources is explicitly recognized. Core and non-core resources must interact positively, with increases in one leading to increases in the other, if the cooperation framework is to work. All the CCFs to be considered by the Board in 1997 will reflect those decisions. The sectoral breakdown of UNDP resource allocations is also in the process of shifting in such a way as to reflect major focus areas of sustainable human development, including (a) poverty eradication; (b) employment; (c) gender in development; (d) the environment; and (f) good governance. UNDP expects that these major shifts in structure and substance will attract traditional and emerging donors to contribute to the core fund, which must remain at the heart of UNDP.

V. NEW AND INNOVATIVE SOURCES AND MODALITIES FOR FUNDING OPERATIONAL ACTIVITIES

36. Since this issue is to be covered extensively in a report of the Secretary-General to the General Assembly prepared pursuant to resolution 50/227, annex I, section I, paragraph 17, to which UNDP is making a separate contribution, only a few comments on this subject will be made here. UNDP has recognized that private resource flows now dwarf official development assistance and, as part of its resource mobilization strategy, is seeking to tap the private sector as an additional source of funding without compromising any of the principles of neutrality in multilateral assistance. In 1996, it developed draft guidelines for use in accepting private sector contributions.

37. The governing bodies may wish to take note of the situation of UNDP as regards core and non-core funding and reaffirm the fundamental importance of core funding, encouraging continued support by all contributors to the UNDP core fund, while recognizing that if core resources increase, non-core resources will also grow. In line with legislation such as that reflected in Executive Board decision 95/23, the governing bodies may also wish to encourage UNDP and its sister bodies to seek out actively new sources and modalities of funding, including those countries outside the group of traditional donors whose capacity to contribute to international development cooperation has increased in recent years.

PART THREE

FOLLOW-UP TO ECONOMIC AND SOCIAL COUNCIL RESOLUTION 1996/36 AND TO DECISIONS TAKEN AT MAJOR INTERNATIONAL UNITED NATIONS CONFERENCES INCLUDING IMPLEMENTATION OF THE PROGRAMMES OF ACTION ADOPTED BY THEM

38. In 1996, UNDP participated in all four of the inter-agency groups established by ACC to constitute an integrated framework for follow-up to the major United Nations conferences, in which it is recognized that the results of the conferences are complementary and that follow-up with regard to specific themes must take the results of all the conferences into consideration. Following the World Summit for Social Development, UNDP moved to make poverty eradication the central area of focus within its concentration on sustainable human development. That area has also been identified as the theme which cuts across all the major conferences. UNDP and the resident coordinators it supports moved in 1996 to assist countries in developing comprehensive anti-poverty strategies and to promote coordinated United Nations support of those strategies.

39. The prime purpose of the inter-agency groups is to ensure that headquarters-level support is provided to resident coordinators and United Nations country teams so that they may effectively assist national Governments and institutions in their pursuit of the goals and commitments of the major United Nations conferences. At the country level, the goal is to move to a new phase of inter-agency coordination, which is viewed as goal-oriented rather than mere information-sharing.

40. The four groups include one on basic social services for all, which is chaired by UNFPA; one on employment and sustainable livelihoods, chaired by ILO; one on an enabling environment for economic and social development and one on women and gender equality. After presenting the integrated framework for follow-up to United Nations conferences to OECD/DAC at the high-level meeting held in 1996, the Administrator of UNDP organized a meeting with the Chair of OECD/DAC and the chairs of the ACC inter-agency groups. It was agreed that a joint plan of work would be developed to ensure complementarity of efforts in the implementation of the strategy outlined in the OECD/DAC publication entitled "Shaping the 21st Century" and of the integrated framework for follow-up to United Nations conferences, both of which have essentially the same goals.

41. At country level, UNDP provided direct funding for activities of the resident coordinator system for conference follow-up. In India, for example, a United nations inter-agency support unit was established as part of the resident coordinator's office to help shape a common framework for United Nations agencies. United Nations agencies in Kazakstan have established four thematic groups responsible for follow-up to United Nations conferences. These groups deal, respectively, with social services, sustainable development, employment and the advancement of women. United Nations agencies in Nigeria have set up five thematic groups to work in the areas of poverty eradication, social development, capacity-building, job creation and sustainable livelihoods, and sustainable agriculture and environmental development. The United Nations

country team in the Philippines is supporting the Government's social reform agenda, an integrated plan which includes the outcomes of a number of United Nations and national conferences. The local task-forces established mirror those at global level. Additionally, UNDP continued in 1996 to provide the secretariat for the United Nations Special Initiative for Africa (UNSIA) designed to facilitate the implementation of the United Nations New Agenda for the Development of Africa (UN-NADAF) and of action relating to Africa called for in major United Nations conferences.

42. With the endorsement, in General Assembly resolution 50/227, of the modality of small inter-agency task forces as a central working tool of ACC in order to develop joint inter-agency programmes at operational levels, UNDP will continue to contribute financial and human resources to the support of such inter-agency groups both at headquarters and the country level.

43. The governing bodies may wish to take note of the progress achieved by UNDP and other United Nations funds, programmes and agencies in the integrated follow-up to conferences and to encourage the full integration of all conference follow-up activities, including those of the World Food Summit, into the common ACC framework and the resident coordinator system at the country-level as called for in legislation such as General Assembly resolutions 50/227 and 51/171.

PART FOUR

FOLLOW-UP TO ECONOMIC AND SOCIAL COUNCIL RESOLUTION 1996/43

44. UNDP achieved significant progress in 1996 pursuant to Economic and Social Council resolution 1996/43, as reflected in particular by new agreements with the International Monetary Fund (IMF) and with the World Bank and by continued cooperation at country level in several notable cases.

45. In July 1996, an important joint letter addressed to the staff of IMF and that of UNDP on cooperation between the two organizations was signed by their two executive heads, who called on their members to collaborate more closely on new and ongoing technical assistance, country strategy notes (when requested by Governments) and policy framework papers and stressing the need for greater collaboration in post- and near-crisis countries and in countries engaged in programmes involving market-oriented reforms and transition.

46. The major development in the collaboration between UNDP and the World Bank was the signing of the World Bank/UNDP aid-coordination agreement, which, while focusing primarily on the complementary roles of the Bank and UNDP in round-table and consultative group meetings, also introduced new language on other types of aid-coordination meetings, capacity development, the role of non-governmental organizations (NGOs) and the private sector, the World Bank Special Programme of Assistance (SPA) for Africa and post-conflict situations. This agreement is the framework for the implementation by UNDP of paragraph 17 of resolution 1996/43 which calls on the United Nations development system and the Bretton Woods institutions to improve their cooperation in the preparation,

discussion and follow-up to round-table and consultative group meetings held to promote discussions of policy.

47. A joint working group on poverty monitoring composed representatives of the World Bank, UNICEF and UNDP met in October 1996 to discuss a joint poverty-monitoring home page on the Internet, testing the Core Welfare Indicator Questionnaire (CWIQ) in the field and devising a participatory poverty assessment as part of an integrated poverty-monitoring system. A consultative group to assist the poorest (CGAP) was established in June 1996. Both UNDP and the United Nations Capital Development fund (UNCDF) are members of this group, which focuses on micro-finance. The World Bank and UNDP also signed a memorandum of understanding to reinforce their working relationship as regards technical cooperation for national capacity-building in the areas of monitoring and evaluation.

48. Another important area for collaboration among UNDP, the World Bank and the United Nations Environment Programme (UNEP) continues to be the Global Environmental Facility (GEF). At the eighth GEF Council meeting, which was held in October 1996, the UNDP $50.5 million work programme covering seven national and three regional projects was approved.

49. Project preparation and implementation continues to be an important form of collaboration between UNDP and the World Bank at country level. Typically, by funding consultants and studies, UNDP helps to prepare investment projects for subsequent World Bank financing. In addition, Governments have decided to use the proceeds of the technical cooperation components of World Bank loans as cost-sharing contributions to UNDP projects in the same sector. From the point of view of the borrowing countries, the main advantage of such arrangements from is the expeditious implementation, through UNDP involvement, of those components of investment projects.

50. Another achievement in the area of country-level collaboration was the performance, by the Office of United Nations Support Services (OUNS), of a survey, in which 105 resident coordinators took part on the status of relationships between the United Nations and the Bretton Woods Institutions. The summary report on this survey revealed a good and close relationship overall, but it also noted a desire on the part of many resident coordinators to be kept better informed of country-level missions and consultations by the Bretton Woods institutions, especially in matters of system-wide concern.

51. The working group of United Nations senior officials on strengthening collaboration between the United Nations and the Bretton Woods Institutions continued to meet and produced a report containing concrete recommendations in such areas as countries in special circumstances, exchange of information, country-level collaboration and policy coordination and reporting to intergovernmental bodies. The report will serve as an input in the reports of the Secretary-General to the Economic and Social Council and the General Assembly in this area.

52. Thus the scope of UNDP/Bretton Woods collaboration is becoming increasingly substantive and oriented more and more towards policy, in keeping with the

provisions of resolution 1996/43. This represents a move away from the traditional relationship, in which UNDP basically provided funding for technical assistance executed by Bretton Woods institutions.

53. The governing bodies may wish to take note of the achievements of UNDP in the area of relations with the Bretton Woods Institutions and to encourage the realization of further progress in the emerging area of substantive dialogue at policy level, in addition to continuing with traditional cooperation in project preparation and implementation.

UNITED NATIONS

DP

Executive Board of the United Nations Development Programme and of the United Nations Population Fund

Distr.
GENERAL

DP/1997/16
3 March 1997

ORIGINAL: ENGLISH

Annual session 1997
12-23 May 1997, New York
Item 8 of the provisional agenda
UNDP

ANNUAL REPORT OF THE ADMINISTRATOR FOR 1996 AND RELATED MATTERS

INTRODUCTION BY THE ADMINISTRATOR

SUMMARY

The year 1996 was productive in consolidating achievements in reorienting UNDP and defining further changes needed. The present document identifies progress towards the key objectives of the UNDP Plan (1996-1997), which responds to Executive Board and General Assembly legislation to revitalize the United Nations and consolidate the role of UNDP as its sustainable human development (SHD) arm. It highlights:

- UNDP effectiveness in sharpening the focus on poverty eradication within SHD and in identifying action to be taken (DP/1997/16/Add.1 provides details);
- UNDP closer attention to gender mainstreaming to complement achievements in other areas of SHD such as environment and governance;
- Issues relating to the new programming arrangements and delivery;
- Action to strengthen country office capacity;
- UNDP commitment to the resident coordinator system;
- UNDP role in countries in crisis and special circumstances;
- Strengthening of evaluation, accountability and oversight;
- Management actions to accelerate change in UNDP.

Considered with the addendum on change management (DP/1997/16/Add.7), the introduction gives a comprehensive picture of implementing Board decisions, especially 94/14.

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I. CHALLENGES FOR UNDP

1. UNDP has an important part to play in sustaining the United Nations presence and strength in development, including the coordinated follow-up to global conferences. The main goal of development cooperation - and the central mission of UNDP - is to help countries to eradicate poverty and make human development sustainable (see annex I). Despite efforts to improve human development over the past 30 years, it is estimated that almost one third of the developing world's population lives on less than $1 a day. No global challenge is more urgent than poverty eradication. To meet this challenge, UNDP is committed to helping countries to achieve SHD by building capacity for: poverty eradication; employment and sustainable livelihoods; the advancement and empowerment of women; and the sustainable management of environmental resources. None of these is achievable without sound, responsive governance. Within this framework, nothing is more central to the role of UNDP in the future than assisting poor families to find opportunities and access to assets such as credit, skills, legal rights, jobs, environmental and energy services, and links with domestic and international markets. Development activities are important in countries subject to complex emergencies and other crises. Building sustainable livelihoods, addressing such consequences of crises as the need to reintegrate demobilized soldiers, and expanding capacity for governance and community self-management are important curative or preventive forms of development.

2. UNDP must also continuously improve its readiness to respond rapidly to the opportunities and uncertainties of globalization, growing interdependence between nations, rapid developments in information technology and the increasing importance of private financial flows to developing countries - now 35 times greater than in 1970. Challenges specific to UNDP within the United Nations include value-added efforts to help a diverse set of countries to benefit sustainably from globalization trends and to take advantage of opportunities offered by the new information age. Changes within UNDP must therefore strengthen it as an impartial partner in building capacities to support national efforts to realize SHD.

II. 1996: A FOCUSED UNDP: ACHIEVEMENTS AND CONSTRAINTS

3. The following sections cover UNDP achievements in 1996, constraints on progress, and strategic actions to be taken to meet the five objectives of the UNDP Plan (annex II).

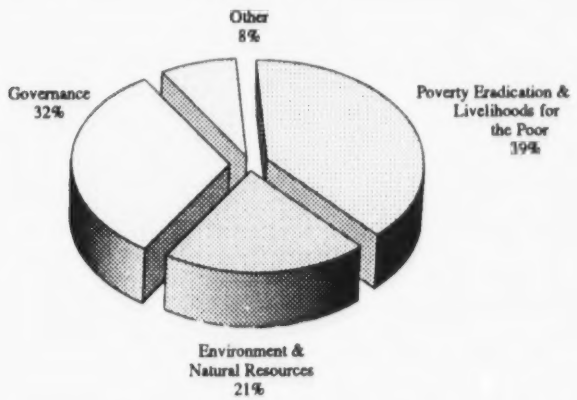
A. Sharpening the focus on poverty eradication

4. In supporting country-defined priorities and action plans, key programmatic actions in 1996 to sharpen the UNDP focus included: (a) implementing the new resource distribution formula assigning more resources to the most needy countries (nearly 90 per cent of core resources go to low-income countries, home to 90 per cent of the world's poor); (b) fine-tuning the objectives of ongoing programmes through mid-term reviews and evaluations and ensuring that new projects fall within the SHD areas of focus; (c) focusing advisory notes and country cooperation frameworks (CCFs) specifically on poverty eradication. Forty advisory notes were produced and three CCFs were submitted to the Executive Board in 1996. The Programme Management Oversight Committee (PMOC) reviewed them and shared lessons learned with country offices and also noted the importance of comprehensive situation analyses supported by the resident coordinator system, such as the common country assessments (CCAs) now being implemented.

5. UNDP has made considerable progress in transforming its new focus into reality as shown by the resources approved for programming since 1994: 39 per

cent of core funding goes directly to poverty eradication and livelihoods for the poor; 32 per cent to governance; and 21 per cent to the environment. The Administrator has directed that UNDP pay closer attention to mainstreaming gender in all UNDP activities to promote gender equality and has also increased commitment of resources (up to 20 per cent of total) to this end.

THEMATIC DISTRIBUTION OF UNRESTRICTED RESOURCES (1994-1995)



6. Catalytic instruments (see annex III for country examples) helped to sharpen the focus of various national anti-poverty strategies and plans in about 80 countries through: (a) national human development reports (NHDRs) - over 50 countries had NHDRs in 1996 (see annex IV), almost half of which are in the Europe and Commonwealth of Independent States region, and about 100 are planning to have them by the end of 1997; (b) the Poverty Strategy Initiative - in over 60 countries (annex V); (c) continued capacity-development assistance tailored to national priorities; and (d) intensified collaboration at the country level in United Nations system-coordinated analysis and programmes. These catalytic actions were aimed at supporting efforts of programme countries at the policy level by: (a) building capacity in national policy and statistical units and think-tanks; (b) mobilizing partnerships for policy-making; (c) enhancing the capacity of decision-makers to monitor progress towards SHD; (d) fostering nationally owned, country-specific poverty eradication strategies; and (e) preparing advisory notes and CCFs. These instruments made greater use of national expertise and facilitated information-sharing of analytic processes through workshops.

7. Greater synergy was sought with UNDP-administered funds and programmes including: (a) the United Nations Capital Development Fund (UNCDF) with its new focus on poverty eradication; (b) the United Nations Volunteers Programme (UNV) and its work at the grass-roots level; and (c) the Special Unit for Technical Cooperation Among Developing Countries (SU/TCDC), which is creating information networks for trade and privatization (e.g., Eastern Europe, the Commonwealth of Independent States and Latin America) and paying greater attention to the needs of small island states. Links with other funds such as the Global Environment Fund (GEF) and the Montreal Protocol are referred to in paragraph 12.

8. Substantive actions in 1996 to sharpen focus included: (a) targeting poverty as the theme for the Human Development Report 1997; (b) strengthening policy analysis on the complex links between economic policy decisions and poverty eradication; (c) linking regional and national expertise and think-tanks for greater capacity utilization; (d) using information and knowledge-based networks as a development resource to disseminate guidelines and technical support papers, between countries and within UNDP - by the end of 1996, 61 country offices had full Internet linkages (20 in 1995) and 31 country offices had home pages (3 in 1995); and (e) undertaking work to sharpen the UNDP focus on capacity-development assistance with special funding provided by the Government of Denmark for three countries, following the recommendations of the 1996 "Assessment of UNDP" (sponsored by the Governments of Denmark, India, Sweden and the United Kingdom).

9. It is widely acknowledged that poverty is multidimensional and country-specific: the constraints on eradicating it exist at the conceptual, analytical and operational levels. Sharpening the UNDP focus on poverty eradication involves (as indicated by the 1996 review of advisory notes and CCFs) finding appropriate SHD entry points in varying country situations and continual improvement of methodologies for analysis and response. In many countries, the integration of diverse institutions and technical resources to focus on poverty eradication - an intersectoral problem - is a continuing challenge. As Capacity 21 assistance shows, nationally owned analysis and learning by doing are vital, but involving the poor in the design of strategies to improve their wellbeing implies investment in time. A first set of training packages and guidelines for poverty situation analyses issued in 1996 are being reviewed and refined based on country experience.

10. Strategic actions to be taken include: (a) the continuation of ongoing work on sharpening the focus on poverty eradication, taking into account the specificity of programme countries; (b) completion of work under the 1996-1997 Plan e.g., the compilation and sharing of best practices through modern information networks; (c) closer collaboration with other United Nations agencies, notably in the context of the United Nations Children's Fund (UNICEF), UNDP and the World Bank task force, on poverty indicators; and (d) the development of actions specified by the change management exercise, "UNDP 2001".

B. SHD focus areas and poverty eradication

11. In accordance with its commitment to gender equality and through systematic monitoring and review, UNDP paid closer attention in 1996 to integrating gender issues into all its advocacy and support to programme countries. Achievements in 1996 included: (a) targeting increased resources to gender equality; (b) strengthening country office capacity (by field advisers, training, technical documents and reviewing the experience of 20 country offices); (c) developing gender-sensitive indicators for analysis and performance measurement; (d) strengthening partnerships within the United Nations system and the Development Assistance Committee of the Organisation for Economic Cooperation and Development (OECD/DAC) and non-governmental organizations (NGOs) globally in the follow-up to the 1995 Fourth World Conference on Women, held in Beijing. Constraints included: (a) the need to recognize the complexity of gender-mainstreaming in developing and applying methodologies; (b) the inadequate integration of gender concerns into programme design; and (c) the need to support programme countries in their development of models of good practices. Actions to be taken in 1997 include: (a) improving methodologies incorporating gender-situation analysis, including the valuation of women's labour; (b) inter-agency task force consultations on the follow-up to Beijing, using the UNDP analysis of lessons learned on gender mainstreaming; (c) continued support to country offices through training; and (d) developing training packages for programme countries to respond to different country situations. In parallel action, the United Nations Development Fund for Women

(UNIFEM) is focusing on strategic interventions and a new information management system.

12. In focusing environment and poverty concerns, UNDP identified target areas of: (a) sustainable agriculture and food security; (b) water resources and the aquatic environment; (c) energy needs of the poor; and (d) forest management. Achievements in 1996 included: (a) supporting, through the Office to Combat Desertification and Drought (UNSO) and in collaboration with partners, 43 countries to help implement the International Convention to Combat Desertification; (b) launching the Initiative for Sustainable Energy to analyse energy-poverty linkages and new technologies useful to the poor; (c) using Capacity 21 to help Governments to integrate environment and poverty concerns into national development plans. This included decentralized planning in Bolivia and Costa Rica; (d) implementing the Montreal Protocol agreements affecting 490 activities in 49 countries, including 287 investment projects to help eliminate CFCs and ozone depleting substances in collaboration with the private sector; (e) securing GEF Council approval for 31 new projects ($47 million) for priority human and environmental needs; (f) supporting international policy dialogue and national capacity development in forestry; and (g) promoting new public-private partnerships and linking governments, consumers and businesses in joint action to protect the environment (e.g., the Philippine Council for Sustainable Development). Following the Stockholm Water Symposium, UNDP worked with others to launch the Global Water Partnership to manage fresh water resources.

13. An enabling environment is vital for sustaining human development efforts. The main programme record (DP/1991/16/Add.1) demonstrates the increasing focus of UNDP on capacity development for governance through: support for governing institutions; the reform of public sector; decentralization; and links to civil society organizations (CSOs). Annex VI of the present document provides examples. Capacity-building for aid coordination is also emphasized through collaboration with the United Nations system and country-level partners in development cooperation. Key achievements in 1996 included: (a) national programmes to support governance institutions, decentralization, including global programmes such as the Local Initiative Facility for Urban Environment - $11 million, including bilateral cost-sharing from three bilateral donors; and public-private sector management; (b) support to countries for the Habitat II Conference (a $15 million urban management programme with other donors); (c) the cross-fertilization of governance experience through national networks linked to a home page on the World Wide Web (MAGNET); (d) a UNDP internal policy document entitled Governance for Sustainable Human Development; (e) guidelines on reform processes and capacity development, e.g., capacity assessment guidelines and computerized project design assistance (CAPBUILD); and (f) training materials, best practice studies, examples of national capacity development policies and programmes. Country and regional programmes also attracted funds from multilateral and bilateral donors for support in this area.

14. UNDP achievements since 1994 in SHD focus areas illustrate comparative advantages deriving mainly from: (a) using its network of country offices to share wide-ranging, impartial and relevant, best practices; (b) brokering capacity-building activities for good governance - critical to poverty eradication in countries in economic and political transition; and (c) ensuring national ownership and sustainability. Constraints identified included: (a) the complex nature of SHD; (b) the diversity of countries; and (c) the difficulty of integrating multidisciplinary approaches to SHD. Actions to be taken include: continued work on integrated entry points for SHD, sharing of experiences and learning from centres of experimentation. In addition, UNDP will work with other United Nations entities in areas affecting the poor such as HIV/AIDS and malaria. This will also include analysis and networking of best practices.

C. Participation, civil society, the private sector

15. A participatory civil society complements efforts to improve governance. By strengthening its cooperation with civil society and the private sector, UNDP fosters national ownership and sustainability of poverty eradication strategies and programmes. UNDP main achievements in 1996 included: (a) the involvement of CSOs in reviewing advisory notes, which is now mandatory practice; (b) work on new execution modalities involving NGOs and the private-sector and the revision of relevant financial rules; (c) new ventures in micro-credit (e.g., MicroStart was launched at the Micro-Credit Summit in Washington D.C., in February 1997); and (d) the expansion of UNDP small-grant initiatives. These efforts still require: (a) greater involvement of civil society in the preparation of situation analyses and other programming processes; (b) stronger links with international NGOs and capacity-building for national NGOs; (c) greater attention to the sustainability of partnerships; and (d) enhanced internal mechanisms for information-sharing on collaboration with CSOs.

16. Private sector links were strengthened in 1996 through the UNDP-supported "Money Matters" Initiative, by which global and regional meetings aim to reinforce public-private partnerships for development cooperation. Executive Board briefings were held in 1996 on the private sector-development nexus. Partnerships were forged with the Guinness and Hewlett Packard companies.

D. New programming arrangements, oversight and delivery

17. In its decision 95/23, the Executive Board changed UNDP programming procedures to provide flexibility in assigning resources and incentives for more focused programmes with higher leverage. Implementation of the new programming arrangements involved a review of all guidelines and oversight modalities. This review resulted in: (a) new programming guidelines; (b) the start-up of work on streamlined programming instruments (including national execution and the programme approach); and (c) a programming manual in electronic form.

18. Greater programming authority has been given to country offices, with regional bureaux being responsible for quality oversight. Decision 96/31 has enabled further simplification, standardization and decentralization of agency support cost arrangements. Of the $180 million available from support for policy and programme development, support for technical services as well as administrative and operational services, 90 per cent is managed by country offices, whose task is to focus these resources on SHD in collaboration with national partners, the United Nations specialized agencies and regional commissions.

19. Tighter programme oversight modalities introduced in 1996 included the new PMOC and a strengthened Project Appraisal Committee (PAC) system at headquarters and country level. The PMOC reviews advisory notes and CCFs to ensure quality control of the new programming arrangements and has a system for sharing replicable practices and for monitoring programmes in conjunction with annual budget revisions. In 1997 it aims to improve: (a) the quality and speed of programme delivery; (b) compliance with evaluation requirements; and (c) accountability within a more decentralized programme approval process. Criteria for random sampling of programme impact will be developed and applied in 1997. The Integrated Financial Information Management (FIM) system is to be applied by all country offices to improve programme resource management and to adjust to the new programming arrangements. The FIM programme budget management module will be functional by the end of 1997, to be followed by the transaction (expenditure) module.

20. At the end of 1995, the Administrator expressed concern at the build-up of liquid core resources and a slowdown in programme planning and approval for 1996 and future years. He called for increased programming momentum in 1996 and 1997 to ensure the full utilization of available programmable resources and to lay

the foundation for the 1997-1999 programming period. Internal and external factors explaining the slowdown in delivery were dealt with at the third regular session 1996 (DP/1996/CRP.19) and in the statement by the Associate Administrator at the first regular session 1997.

21. The following measures have been taken to improve programme delivery: (a) following regional reviews, 16 large, underprogrammed countries were targeted for diagnosis; (b) a special delivery task force was established to monitor delivery against 1997-1999 expenditure targets; (c) under the target for resource assignment from the core (TRAC) lines the Administrator released resources of about $1.4 billion as "advance authorizations"; (d) the Administrator allocated $2 million from his contingency reserve for a delivery support facility to increase 1997-1999 programme quality, commitment and delivery; (e) the regional bureaux and the resident representatives were urged to give top priority to delivery with full attention to quality; and (f) the Executive Committee was briefed regularly on progress. Special attention is given to restoring 1997 programme approvals to acceptable levels. A report on 1997-1999 delivery will be made at the third regular session 1997.

E. Development approaches for SHD

22. Two important SHD approaches through capacity development and resource mobilization are national execution and the programme approach. In line with General Assembly resolution 47/199, national execution accounted for 79 per cent of all project budgets in 1996 and, in line with the 1995 evaluation findings, is helping to build greater self-reliance, stronger national ownership and greater cost-effectiveness in programme countries. Most of the advisory notes and CCFs completed in 1996 contained commitments to apply national execution. UNDP has responded to the constraints identified in the 1995 evaluation and in the report of the Board of Auditors for 1994-1995 (A/51/5/Add.1, Supplement No. 5A) by: (a) revising guidelines on responsibilities and accountability; (b) presenting its evaluation strategy for national execution; and (c) improving monitoring of the contribution of national execution to poverty eradication and SHD. The purpose of document DP/1997/CRP.8, submitted to the Executive Board in March 1997 at its second regular session, was to review experience, identify the lessons learned and specify measures taken to strengthen accountability, to simplify procedures, to support capacity assessments and to clarify audit, evaluation and monitoring roles. It also anticipated developing a new conceptual framework to improve execution. The Administrator gives priority to taking actions proposed in the document and to reviewing progress through the accountability framework.

23. Although more countries are adopting the programme approach, constraints identified in the UNDP 1996 internal assessment included: (a) a lack of clarity and training in the subject; (b) the complexity of the instrument, including procedures for financial management; (c) a lack of guidance on how Governments should evaluate their own programmes and conduct capacity assessments in the public sector and civil society; (d) the need to harmonize procedures of donors at country level. Generally, applying the programme approach involves national execution with associated costs and benefits. Action in 1996 included: (a) preparing a training module in different languages; (b) simplifying and harmonizing the instrument with the new programming arrangements; (c) completing a user's guide with suitable software; (d) planning a donor consultation on procedural harmonization; (e) preparing for a 1997 evaluation of the revised procedures. The evaluation will identify best practices to be widely shared.

F. Strengthening country offices

24. Supporting diverse national SHD efforts, implementing the new programming arrangements, mobilizing resources and strengthening collaboration with the United Nations system and other stakeholders call for strengthened capacity at the country-office level. To this end, the resident representatives worked in

partnership throughout 1996 with all relevant headquarters units, particularly with (a) the regional bureaux, which provided the supporting management framework, advice, training and, together with the Office of Human Resources (OHR), assistance in matching core competencies with country office needs and (b) the Bureau for Policy and Programme Support (BPPS), which supplied analytical tools, developed in consultation with country offices, global studies and methodological guidance. Operational coherence at country-level with the UNDP-administrated funds and programmes was also actively sought. Details of collaboration with the United Nations system are provided in section II.G. Specific examples in line with UNDP Plan objectives included: (a) using specialist staff matched to national needs (advisers in gender, HIV/AIDS, capacity-building in governance and sustainable development and national and international economists); (b) increasing the use of training and problem-oriented regional workshops, using a manual on poverty eradication produced in 1996 by UNDP; (c) starting systematic triennial reviews of country office performance and needs; and (d) introducing more efficient measures for local recruitment, communication, budgeting and automation.

25. The eight country offices that are "centres of experimentation" explored the use of more impact-oriented and cost-effective techniques. Constraints on country office capacity, identified through a process of consultation, led by resident representatives and the change management exercise, included: (a) the need for more accessible substantive technical support; (b) the tendency for a top-down approach to operational management; (c) lack of systematic information collection, analysis and dissemination; and (d) time-consuming procedures. Measures are in place to decentralize decision-making further and to locate staff support systems closer to country offices (See DP/1997/16/Add.7).

G. UNDP within the United Nations system

26. The second UNDP organizational goal contained in decision 94/14 is to play a more active and integrative role within the United Nations development system. UNDP is meeting this organizational goal by fully integrating operational support into its line functions. To complement the following paragraphs, the report to the Economic and Social Council (DP/1997/15) provides more detailed analysis, including that on support to the management process developed by the United Nations to ensure implementation of General Assembly resolution 50/120.

27. The most visible UNDP commitment in 1996 to the success of the United Nations was its financial and human resources support to the resident coordinator function. Six per cent of core resources and 50 per cent of the resident representatives' time were dedicated to strengthening UNDP support to the resident coordinator system and to the participation of UNDP in efforts to improve United Nations system policy coherence and coordination. It has been estimated that UNDP direct and indirect support to the resident coordinator system is in the magnitude of $100 million per annum.

28. Additionally, UNDP has moved to strengthen the resident coordinator system by: (a) providing operational funding (estimated $8 million) for resident coordinator work per se in 1996 thus dovetailing with the new arrangement approved by the Executive Board for 1997-1999; (b) providing special funds under TRAC 1.1.3 of the successor programming arrangements to support the work of resident coordinators in responding to sudden crisis, or for developing holistic strategic frameworks for planning in crisis-related situations; (c) expanding training programmes in 1996 with the United Nations Staff College in Turin to cover 69 per cent of all incumbent resident coordinators; (d) establishing a network to share best practices among resident coordinators; (e) helping to improve the format of the annual report of the resident coordinator; (f) ensuring that the number of resident coordinators with experience in the United Nations and the specialized agencies increased to almost half; and (g) ensuring policy coherence and coordination at both headquarters and country levels through the responsibilities assigned to the Administrator by the United

Nations Secretary-General. UNDP has sought to move the focus of coordination beyond information-sharing to goal-oriented collaboration by supporting the Administrative Committee on Coordination (ACC) initiatives on follow-up to major conferences and on Africa (DP/1997/16/Add.2).

29. Country-level achievements include: supporting the preparation of country strategy notes (CSNs) and harmonizing programme cycles with those of other United Nations funds and programmes (26 countries, an additional 54 planned by the end of 1999). Common premises for United Nations organizations will exist in 52 countries by the end of 1997. Greater use is made of common services. UNDP has assumed responsibility at the country level for integrating the ACC-endorsed themes as follow-up to United Nations conferences, into national poverty eradication action plans.

30. Developing complementarity with the Bretton Woods institutions: in 1996, a new agreement was signed on aid coordination between UNDP and the World Bank that defines (a) the respective roles of the World Bank and UNDP in the Consultative Group and round-table aid coordination mechanisms; (b) country-based coordination; and (c) cooperation in post-conflict situations. UNDP is working with the World Bank on the "Partnership for Capacity-Building in Africa". The World Bank is working with UNDP and other specialized agencies in providing United Nations system-wide support to the "United Nations System-wide Special Initiative for Africa" (see DP/1997/16/Add.2). A letter of cooperation between UNDP and the International Monetary Fund (IMF) was signed in 1996 to enhance collaboration between the two organizations. UNDP forged new partnerships with other international organizations and United Nations agencies such as: new agreements with the Food and Agriculture Organization of the United Nations (FAO), the Global Environment Facility (GEF), the International Office of Migration (IOM), the Office of the United Nations High Commissioner for Refugees (UNHCR), and the United Nations Environmental Programme (UNEP); and greater collaboration with regional economic commissions and development banks. The United Nations Joint and Co-sponsored Programme on HIV/AIDS (UNAIDS) was created as a new inter-agency structure working through the resident coordinator system at country level: 96 countries had United Nations HIV/AIDS groups by the end of 1996. UNDP focuses on building national capacity to tackle developmental aspects of HIV/AIDS.

H. UNDP in countries in crisis and special circumstances

31. In countries in crisis and special circumstances, UNDP is seeking to be an effective development partner, working in close collaboration with the Department of Humanitarian Affairs (DHA) which coordinates humanitarian activities. In bridging "relief and development", UNDP also works closely with UNHCR, UNICEF the World Food Programme (WFP). There is a growing understanding that development does not cease during emergencies. If relief efforts are to contribute to lasting solutions, SHD must continue to be vigorously supported, complementing emergency action with new curative initiatives that can help to prevent a relapse into crisis. UNDP concentrates its efforts in the following main areas: (a) support to emergency interventions; (b) programming for peace and recovery; (c) area rehabilitation to resettle uprooted populations; (d) reintegrating demobilized soldiers; (e) de-mining operations; (f) rebuilding institutions and improving governance; (g) organizing national elections; and (h) managing the delivery of programme aid. A total of $36.6 million under TRAC line 1.1.3 went to 32 interventions for 1996-1997.

32. Details of complementarity of efforts by UNDP and the rest of the United Nations system were presented to the Executive Board at its second regular session 1997 (DP/1997/CRP.10). In close collaboration with the countries concerned and with partners in the United Nations system, particular achievements in 1996 included launching 20 new special development initiatives on: demobilization and reintegration in Angola and Mali; mine action in Cambodia and the Lao People's Democratic Republic; election support in Cambodia

and Haiti; area rehabilitation (usually in return zones of the displaced) in Afghanistan, Azerbaijan, Bosnia and Herzegovina, Democratic People's Republic of Korea, Djibouti, Georgia and Guatemala as well as in Central America and Palestine; socio-economic rehabilitation in Lebanon; government capacity-building for programme planning and monitoring in Rwanda; peace-building in El Salvador; and post-hurricane reconstruction in Costa Rica and Nicaragua. A multidisciplinary United Nations system mission led by UNDP in Bosnia and Herzegovina in March 1996 assisted governmental structures recognized by the Dayton Agreement to design a $110 million programme for reconstruction, governance and transition to a market economy.

33. New operational guidelines and models were produced for supporting country offices in preventive and curative development. The Disaster Management Training Programme was extended. Criteria were set for allocating 15 emergency posts where they were most needed around the globe. New understandings needed to bridge relief and development were fostered with the World Bank, UNHCR and IOM. The principles of an inter-agency post-crisis recovery strategy were endorsed by the Consultative Committee on Programme and Operational Questions (CCPOQ), including new strategic frameworks for all United Nations activities. A strategic framework for recovery is foreseen as an evolving consensus on an overall plan for United Nations, other multilateral and bilateral activities, especially as the unifying element between different fundraising and planning mechanisms. It can be of unique value in bringing relief and development planning mechanisms together in a common vision, based on sound analysis. The first such strategic framework was developed in Rwanda.

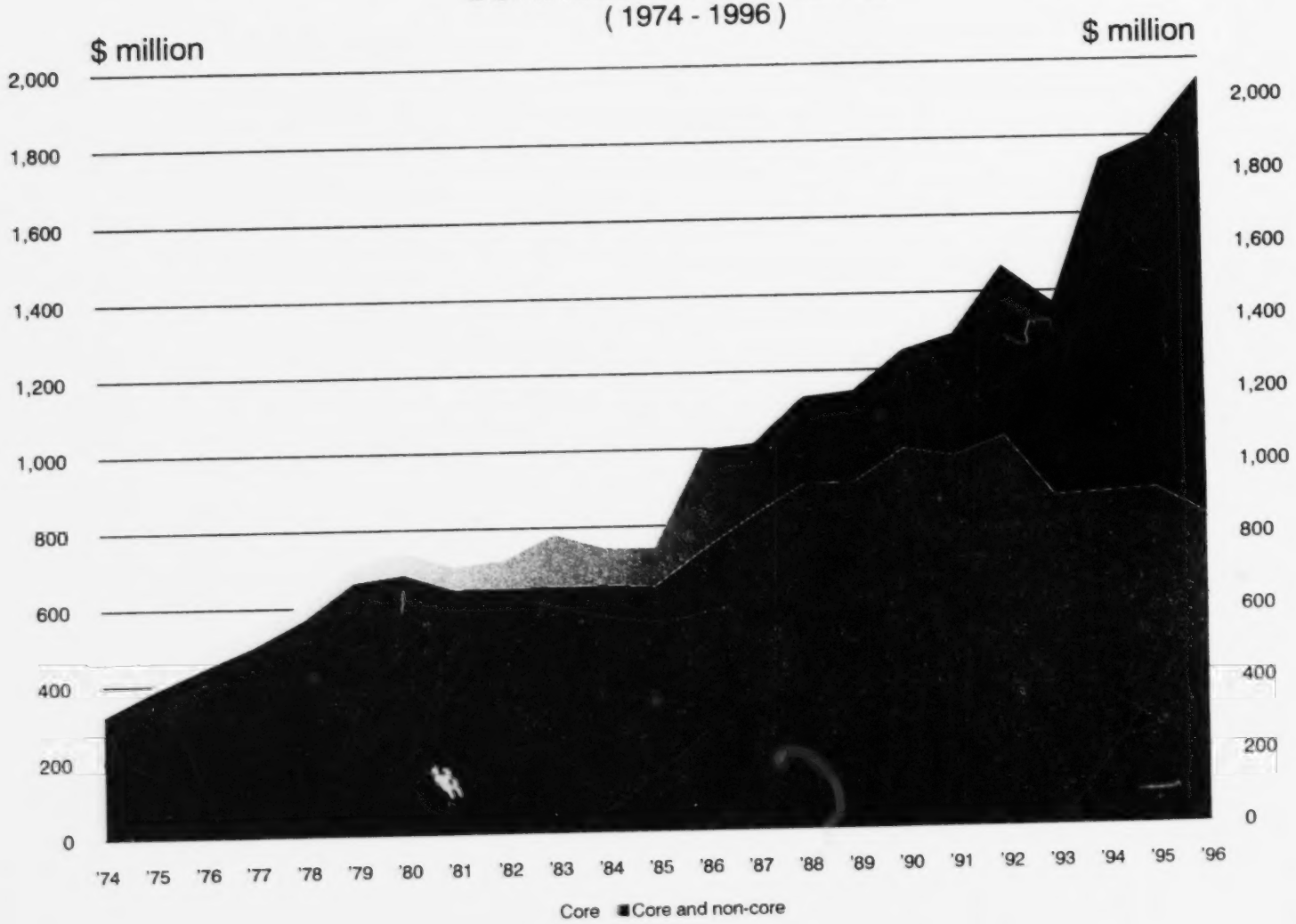
34. UNDP and DHA jointly proposed and are experimenting with an expanded consolidated appeal process aimed at bridging the gap between relief and development. Once the Inter-Agency Standing Committee (IASC) and other forums have endorsed the mechanism, and where circumstances permit, the expanded inter-agency appeal will consist of a Part I, prepared under the humanitarian coordinator function and a complementary Part II, prepared under the resident coordinator function. Part I will focus on emergency relief assistance as well as the demobilization process and the initial phase of reintegration of internally displaced persons (IDPs) and refugees, much the same as the traditional appeal. Part II will focus on longer-term needs for: rehabilitation and reintegration of demobilized soldiers, IDPs and refugees; governance issues related to elections, judicial systems, training police, and institution-building; and longer-term reconstruction and development. UNDP is pursuing partnerships with the United Nations relief agencies for the complementary programming of relief and development inputs.

I. Resources

35. Annual contributions to UNDP core resources over the fifth programming cycle fluctuated from a high of $1,177.9 million in 1992 to $903 million in 1995, and $852 million in 1996. Pledges for 1997 indicate that core resources will be slightly above the $852 million level for 1996. Overall resources, core plus non-core, over the same period, grew nonetheless from $1,739.1 million in 1992 to $1,925 million in 1995. The estimate for 1996 is $2,000 million.

Contributions to UNDP a/

(1974 - 1996)



a/ Cost-sharing, trust funds, administered funds

DRM/BREA, February 1997

36. Core resources remain the primary means for impartial and universal multilateral assistance and will continue to be the foundation of the UNDP resource base. However, UNDP traditional and programme country contributors as a group have experienced constraints in expanding core funding. Budgetary restrictions in major traditional donor countries currently appear to place a ceiling on growth in core contributions although the UNDP core, with its focus on SHD and on low-income countries, reflects the aid objectives of those countries. The means of increasing core contributions are therefore twofold: (a) increase UNDP efficiency and transparency to make it more attractive to major donors who may be downsizing their own aid infrastructure; and (b) demonstrate to emerging donors that UNDP target countries for core funding are potential economic partners. The Administrator recognizes the interdependence of core and non-core resources, with increases in one leading to increases in the other, if the overall development cooperation framework is to work.

37. UNDP recognizes the need to demonstrate value for money spent in an increasingly competitive environment. The Executive Board has underlined that the UNDP communication strategy should highlight concrete examples of efficient delivery and programme impact. Achievements in 1996 include: the completion of co-financing guidelines to reflect non-core modalities and to take into account lessons learned from evaluation. Emphasis was placed on individual co-financing strategies by country offices, coordinated by the regional bureaux. Resource mobilization targets were linked to programme delivery and quality in an integrated approach to country office performance measurement.

38. As a promising new avenue for broadening the UNDP financial base, the Executive Board has enabled UNDP to embark on partnerships in development with the private sector. Funding initiatives and guidelines have been prepared for country offices entering into private sector funding partnerships. Continuous monitoring of the future direction of each partnership will be undertaken. Successful round-table meetings led to substantial commitments from donor Governments and multilateral institutions for countries such as Congo ($900 million pledged), Rwanda ($617 million pledged) and Sierra Leone ($231 million pledged). Improving the role of all partners in the follow-up to the round-table meetings has led to an ongoing overhaul of the present procedures.

J. Advocacy and building partnerships

39. UNDP implemented its first communication and advocacy strategy, which aimed to raise public awareness and appreciation of UNDP activities within the larger framework of the United Nations role in development. In 1996, country-level public affairs initiatives gave higher visibility to the United Nations system and UNDP. With $2.4 million allocated to this end: (a) almost all country offices appointed a public affairs officer; (b) more than 100 country offices produced national communication and advocacy strategies; and (c) public affairs training workshops were held for resident representatives, deputy resident representatives and public affairs officers. The workshops were reinforced by a manual in six languages. Efforts culminated in a week-long series of press briefings, seminars, television/radio presentations and other activities centred on the International Day for the Eradication of Poverty (17 October). Anti-poverty initiatives were launched in Fiji, Kyrgyzstan, Malawi, Rwanda, Trinidad and Tobago, and Uzbekistan.

40. The global launch of the Human Development Report 1996, and related national and regional workshops, generated considerable media interest in the theme of economic growth and SHD. At the regional level, 1996 advocacy efforts helped to define the policy commitments of national leaders to SHD in general and poverty eradication in particular. The VI Ibero-American Summit of Presidents and Heads of State in November, for example, facilitated consensus on ten priorities for a Latin American agenda on governance. New advocacy tools

produced during the year included: a series of discussion papers on key development issues; a revamped Choices magazine to promote debate on development; public service television announcements on poverty; and increased use of the Internet (see para. 8). New partnerships were forged or strengthened with parliamentarians, NGOs, CSOs and academic institutions through, for example, multiple conferences, workshops and seminars on SHD in Africa, Europe and North America. More than 60 cities worldwide joined the UNDP National Alliance of Cities Against Poverty. The 1996 Paul Hoffman Lecture on global competitiveness and human development extended the audience to the private sector.

41. Constraints identified in the area of communication included: (a) unclear policy messages in written and oral communications; (b) a media-shy culture in UNDP as a whole; and (c) insufficient financial investment in communication. Recommendations to address these constraints included: (a) identifying promotional messages for SHD to be used by all staff in contacts with the media at seminars and other venues; (b) improving links between the staff working in policy, substantive and operational matters and those in media; (c) encouraging all staff to invest time in developing and communicating clear messages on the role and activities of UNDP; and (d) allocating increased funding from the organizational budget for communication and advocacy efforts. Document DP/1997/17 provides additional information on the communication and advocacy strategy and addresses issues raised in the report of the Administrator on the UNDP information and publication policy (DP/1996/22).

K. Evaluation

42. During 1996, a total of 117 UNDP-funded project evaluations were conducted and recorded in the Central Evaluation Database (CEDAB). Six strategic evaluations and one country programme evaluation were initiated and centrally managed. The six requirements judged most critical to the future success of the overall UNDP programme were: (a) the participation, where directly relevant, of ultimate beneficiaries in the formulation and implementation of activities; (b) realistic programme objectives; (c) baseline data and benchmarks against which to measure progress; (d) the sharing of lessons learned and evaluation findings with programme countries and country offices, in an increasingly decentralizing organization; (e) monitoring and evaluation as instruments of programme improvement as well as instruments of accountability; and (f) further strengthening of compliance, building on progress to date.

43. Measures to strengthen the UNDP evaluation function in 1996 included: (a) closer tracking of evaluation compliance through reporting to the PMOC; (b) an expanded and more systematic approach to disseminating evaluation findings by developing and testing the CEDAB to make it more user-friendly and by using the PMOC and PACs to ensure that lessons learned are applied; (c) building further awareness of, and capacity for, evaluation and use of lessons learned through regional workshops in which government officials participated (e.g., in the Czech Republic and Malaysia); (d) revisiting UNDP guidelines on monitoring and evaluation (to be distributed in 1997); (e) training deputy resident representatives and Junior Professional Officers to strengthen evaluation operationally; and (f) improving ways of assessing performance impact. Collaboration with the United Nations system is reported on in document DP/1997/15.

44. Establishing baselines against which to measure progress in individual SHD projects and programmes will require continuing attention. Evaluations tend to focus on operational process management rather than development impact. The effective utilization of evaluation is dependent on the level of learning demand of the organization. Further strengthening of the evaluation function is critical for programme effectiveness and impact and for UNDP to be more of a learning organization. The Administrator is committed to strengthening the

evaluation function, ensuring its use for programme performance while maintaining its independence. Document DP/1997/16/Add.4 provides details.

L. A leaner, more efficient and more accountable organization

45. Better business practices have been put in place to increase organizational efficiency. A biennial budget strategy for cost reduction, the third of its kind since 1992, was implemented. Over the 1992-1997 period, UNDP reduced its administrative budget in real terms by more than 15 per cent, reducing staff at headquarters by 32 per cent and total regular staff by 15 per cent. With UNFPA and UNICEF, UNDP has worked out a proposal for harmonizing budget presentations to be used in the 1998-1999 budget. The budget strategy for the 1998-1999 biennium will be submitted to the Executive Board at its third regular session 1997.

46. Management of timely and useful information is vital to knowledge-based approaches to development cooperation and to effective administration. Achievements in 1996 included: (a) the implementation of the Integrated Management Information System (IMIS Release I) (b) the Executive Information Management system in prototype in July 1996 with priority components of the Integrated Programme Management (IPM) and IMIS subsystems due for completion in 1997; (c) a prototype for an improved electronic document management system in August 1996 with system development scheduled for 1997; and (d) by the end of 1997 the Financial Information Management (FIM) system, which will provide programme budget information. Building on work started in 1995, action was taken to replace the current e-mail system with an enhanced message and information exchange system by mid-1997. Action was taken in 1996 to upgrade all current systems taking into account (a) expected changes in information technology globally and (b) the need to ensure that UNDP sub-systems under development meet the accountability, administrative and knowledge development needs of UNDP in 2001.

47. The 1996-1999 human resources strategy was launched in 1996 to ensure that UNDP has appropriate skills to meet the wide range of development challenges in the countries it serves. The key elements are: (a) the creation of an effective and professional human resource management organization; (b) implementation of human resource measures sensitive to a more equitable gender-balance in decision-making; (c) increased efficiency of transaction-based services; (d) maintenance of competitive benefits and conditions of service; (e) foundations for continuous learning and learning opportunities for key staff. Special efforts were made in 1996 to deploy staff on a timely basis to countries in difficult situations. A new management development training programme was launched to develop international and national staff. Other actions included: the implementation of phase one of IMIS for the administration of benefits and allowances; the introduction of a new approach to conditions of service for extremely difficult duty stations; and expanded use of the pilot activities of limited duration (ALD) contract. Decentralization of responsibility for business processes was implemented to improve efficiency. A pilot assessment of the performance of resident coordinators and mechanisms for feedback from country-based United Nations agencies was initiated.

48. Successful completion of the 1995-1996 early separation programme brought the staff/post situation close to equilibrium but not so far as to open vacancies - a situation that will constrain human resources management in 1997 until attrition, additional separations and other measures take effect. The gender-balance policy set targets for 1995-1997: the overall target for the end of 1997 of 38:62 (women:men) has already been met. The target for management at the P-5 to D-2 levels is 28:72 (women:men): at the end of 1996 it had reached 24:76. The 20 per cent target for women at the D-1 and D-2 levels was met for the D-2s. By the end of 1996, 22 country offices were headed by female resident representatives - double the number in 1993. The challenge is to provide an environment that recognizes individual talent and contributions and supports

work-family requirements for a geographically mobile staff. The first interactive global staff forum was held in 1996, linking more than 40 country offices in a teleconference with New York staff. Other measures to involve staff included the global staff and management survey in September 1996. UNDP pioneered an electronically accessible database on employment conditions for expatriates in 132 countries where it has offices.

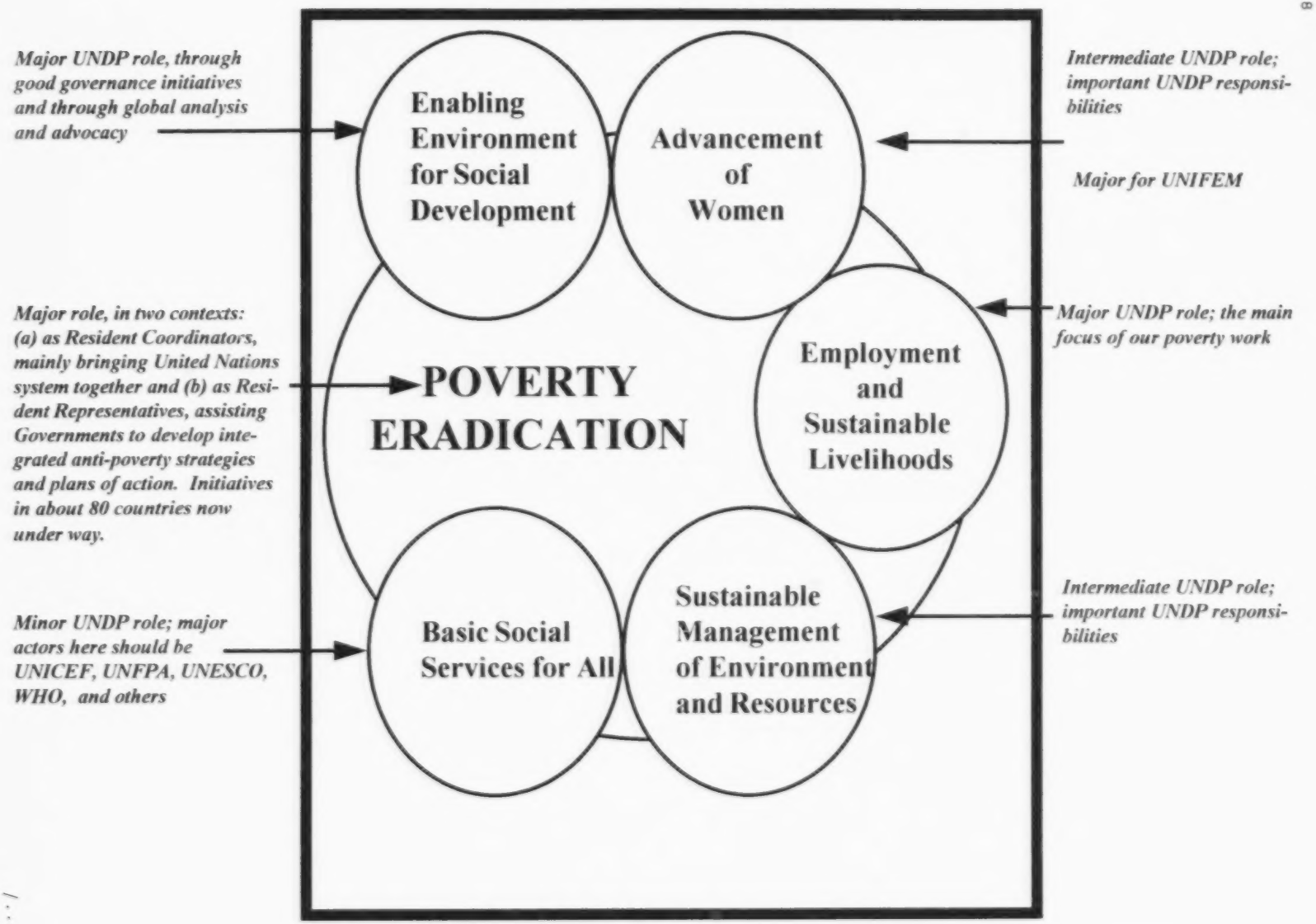
49. Ensuring full accountability for the use of UNDP resources is a top priority. A preventive approach needs to be ingrained that identifies risks, anticipates problems and promotes a working environment in which internal control systems encourage creativity and responsible risk-taking. Such an approach, with conventional audit responsibilities and audit independence, contributes to a sound accountability culture. The Administrator is fully committed to establishing such an accountability culture in UNDP. The investigative capacity of the Division for Audit and Management Reviews continued to be strengthened by implementing the recommendations of the Board of Auditors (A/51/5/Add.1). More vigorous monitoring has improved compliance rates (from 52 per cent (1995) to 61 per cent in 1996 with a target of 70 per cent in 1997) as well as the quality of audits of national execution projects. More intensive use of international accounting firms was made to extend the coverage of audits. Follow-up was strengthened through a database to track implementation of audit recommendations. The Management Review and Oversight Committee (MROC) was established to provide the Administrator and the Executive Board with assurance that the UNDP accountability framework functions effectively. The membership includes the Under-Secretary-General, Office for Internal Oversight Services. The new UNDP ex-post accountability framework, for implementation in 1997, defines standards for individual and managerial responsibility and norms for staff behaviour (see document DP/1997/16/Add.6 for details).

III. UNDP 2001

50. In response to legislation for change, UNDP launched a comprehensive set of reforms in 1994 to redefine its mission, priorities and focus. In 1995, an intensive and participatory process began to accelerate reforms to strengthen UNDP capacity as an effective partner in development cooperation and within the United Nations. Demonstrable response since 1994 to legislation included: (a) targeting assistance to four priority development needs; (b) allocating programme resources based on incentives and performance; (c) supporting coordination within the United Nations system, globally and locally; (d) mobilizing resources for SHD; (e) operating with a leaner, more accountable management. Intensification of the change process since May 1996 has identified three defining characteristics for UNDP in the future. They are: (a) providing high-quality development services, quickly and responsively to meet the SHD needs of programme countries; (b) making a difference to the poor through effectiveness and impact; and (c) building the essential structure and infrastructure for efficiency, accountability and good management. Further consultations with the Executive Board, in addition to those at the third regular session 1996 and the first regular session 1997, were planned before the 1997 annual session. In document DP/1997/16/Add.7, the Administrator presents a package of reforms, on which further information will provided in subsequent conference room papers. UNDP is committed to improving its performance as a development partner; the change management process is one important step in that direction.

ANNEXES

Annex I: UNDP Areas of Focus


Major UNDP role, through good governance initiatives and through global analysis and advocacy
Enabling Environment for Social Development
Advancement of Women
Intermediate UNDP role; important UNDP responsibilities
Major for UNIFEM
Major role, in two contexts: (a) as Resident Coordinators, mainly bringing United Nations system together and (b) as Resident Representatives, assisting Governments to develop integrated anti-poverty strategies and plans of action. Initiatives in about 80 countries now under way.
POVERTY ERADICATION
Employment and Sustainable Livelihoods
Major UNDP role; the main focus of our poverty work
Minor UNDP role; major actors here should be UNICEF, UNFPA, UNESCO, WHO, and others
Basic Social Services for All
Sustainable Management of Environment and Resources
Intermediate UNDP role; important UNDP responsibilities

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Annex II

UNDP PLAN 1996-1997
FIVE KEY OPERATIONAL OBJECTIVES

- To support programme countries in their efforts to achieve sustainable human development (SHD) and to strengthen country offices and headquarters to this end

- To implement the new programming arrangements efficiently and to ensure enhanced delivery

- To play an effective advocacy role, build constituencies and mobilize resources for SHD

- To strengthen UNDP partnerships in the United Nations system and elsewhere and to enhance UNDP performance in countries in crisis and other special circumstances

- To build a leaner, more accountable learning organization

Note: The principles on which the Plan is based include fidelity to the three goals of UNDP, as set out in Executive Board decision 94/14 and to the programme mandate of the organization as revised in decision 95/22. These goals require that UNDP establish its global competence in SHD; strengthen its performance as a force for SHD within the United Nations system; and support country-driven and country-owned programmes in SHD that give poverty eradication top priority.

Source: UNDP Plan 1996-1997

Annex III

FOLLOW-UP TO THE WORLD SUMMIT FOR SOCIAL DEVELOPMENT (WSSD) COUNTRY EXAMPLES

National human development reports. UNDP country offices increasingly supported the production of NHDRs to complement the global Human Development Report. In 1996, over 50 countries had NHDRs; by the end of 1997 it is estimated that over 100 countries will have them. Country examples of NHDRs usefulness: for good internal policy dialogue (e.g., Togo); for policy-making (e.g., Eastern Europe and the Commonwealth of Independent States); for advocacy to mobilize constituencies (e.g., Jordan and Lebanon); for monitoring national progress towards sustainable human development (e.g., Eastern European and the Commonwealth of Independent States countries). Increasingly useful are subnational NHDRs (e.g., Brazil, Egypt and India) and periodic NHDRs (e.g., Bangladesh). Capacity development in poverty eradication and sustainable livelihoods in over 80 countries ranged from the new Poverty Strategy Initiative being implemented in over sixty countries leading to the restructuring of public expenditure (e.g., Burkina Faso); the development of policy frameworks for poverty eradication (e.g., Botswana); the production of official poverty profiles (e.g., the Lao People's Democratic Republic); and monitoring of the impact of economic reform on vulnerable groups (e.g., Mongolia), to capacity-building for economic management (36 countries in Africa) and the design and implementation of national poverty reduction programmes (e.g., China, India, Mongolia, and 23 African countries); to financing for micro-enterprises, including the MicroStart project initiated in 1996 to develop vibrant private sectors. These initiatives also enabled poor communities to gain access to assets through social mobilization (e.g., the subregional South Asia programme); and to develop skills and enhance the productivity of the poor (e.g., Argentina and Bolivia). Examples of creating capacity for good governance in diverse environments include the Special Initiative for Governance in Africa and replicable national ombudsman programmes (e.g., El Salvador, Guatemala and Lithuania). Innovative approaches for creating sustainable livelihoods by enabling the poor to apply science and technology e.g., to generate income through improved techniques for rural production e.g., Bhutan; and expand economic opportunities for women through a network of scientists e.g., in the Asia and the Pacific region.

Annex IV

COUNTRIES WITH NATIONAL HUMAN DEVELOPMENT REPORTS

AFRICA REGION

COUNTRY	1996
ANGOLA	
BENIN	X
BOTSWANA	X
BURKINA FASO	
BURUNDI	
CAMEROON	X
CAPE VERDE	
CENTRAL AFRICAN REPUBLIC	X
CHAD	
COMOROS	
CONGO	
CÔTE D'IVOIRE	
EQUATORIAL GUINEA	
ERITREA	
ETHIOPIA	
GABON	
GAMBIA	
GHANA	X
GUINEA	
GUINEA-BISSAU	
KENYA	
LESOTHO	
LIBERIA	
MADAGASCAR	
MALAWI	
MALI	X
MAURITANIA	X
MAURITIUS	
MOZAMBIQUE	
NAMIBIA	X
NIGER	
NIGERIA	
RWANDA	
SAO TOME AND PRINCIPE	
SENEGAL	
SIERRA LEONE	X
SOUTH AFRICA	
SWAZILAND	
TOGO	X
UGANDA	X
UNITED REPUBLIC OF TANZANIA	
ZAIRE	
ZAMBIA	
ZIMBABWE	

Annex IV (continued)

ASIA AND THE PACIFIC REGION

COUNTRY	1996
AFGHANISTAN	
BANGLADESH	X
BHUTAN	X
CAMBODIA	
CHINA	
DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA	
FIJI	
INDIA	X
INDONESIA	
IRAN (ISLAMIC REPUBLIC OF)	
LAO PEOPLE'S DEMOCRATIC REPUBLIC	
MALAYSIA	
MALDIVES	
MONGOLIA	
MYANMAR	
NEPAL	
PAKISTAN	
PAPUA NEW GUINEA	X
PHILIPPINES	X
REPUBLIC OF KOREA	
SAMOA	
SRI LANKA	
THAILAND	
VIET NAM	
SUBREGIONAL PACIFIC	X

Annex IV (continued)

ARAB STATES REGION

COUNTRY	1996
ALGERIA	
BAHRAIN	
DJIBOUTI	
EGYPT	X
IRAQ	X
JORDAN	
KUWAIT	
LEBANON	
LIBYAN ARAB JAMAHIRIYA	
MOROCCO	
QATAR	
SAUDI ARABIA	
SOMALIA	
SUDAN	
SYRIAN ARAB REPUBLIC	
TUNISIA	
UNITED ARAB EMIRATES	
YEMEN	

Annex IV (continued)

LATIN AMERICA AND THE CARIBBEAN REGION

COUNTRY	1996
ANGUILLA	
ANTIGUA AND BARBUDA	
ARGENTINA	X
ARUBA	
BAHAMAS	
BARBADOS	
BELIZE	
BERMUDA	
BOLIVIA	X
BRAZIL	X
BRITISH VIRGIN ISLANDS	
CAYMAN ISLANDS	
CHILE	X
COLOMBIA	
COSTA RICA	X
CUBA	
DOMINICAN REPUBLIC	
ECUADOR	
EL SALVADOR	
GUATEMALA	
GUYANA	X
HAITI	
HONDURAS	
JAMAICA	
MEXICO	
MONSERRAT	
NETHERLANDS ANTILLES	
NICARAGUA	
PANAMA	
PARAGUAY	X
PERU	
SAINT KITTS AND NEVIS	
SAINT LUCIA	
SAINT VINCENT AND THE GRENADINES	
SURINAME	
TRINIDAD AND TOBAGO	X
TURKS AND CAICOS ISLANDS	
URUGUAY	
VENEZUELA	X

Annex IV (continued)

EUROPE AND THE COMMONWEALTH OF INDEPENDENT STATES

COUNTRY	1996
ALBANIA	X
ARMENIA	X
AZERBAIJAN	X
BOSNIA AND HERZEGOVINA	
BULGARIA	X
CROATIA	
CYPRUS	
CZECH REPUBLIC	X
HUNGARY	X
KAZAKSTAN	X
KYRGYZSTAN	X
LITHUANIA	X
MALTA	X
POLAND	X
REPUBLIC OF BELARUS	X
REPUBLIC OF ESTONIA	X
REPUBLIC OF GEORGIA	X
REPUBLIC OF LATVIA	X
REPUBLIC OF MOLDOVA	X
ROMANIA	X
RUSSIAN FEDERATION	X
SLOVAK REPUBLIC	X
TAJIKISTAN	X
TURKEY	X
TURKMENISTAN	X
UKRAINE	X
UZBEKISTAN	X
YUGOSLAVIA	X

Annex V

POVERTY STRATEGY INITIATIVE (PSI)

Launched in the aftermath of the 1995 World Social Summit on Social Development, the Poverty Strategies Initiative is currently being offered in over 60 countries, in which it is helping to:

- Raise public awareness of the extent, distribution and causes of poverty;
- Create political space for a debate on national development priorities;
- Strengthen the capacity of government agencies and civil society to gather, analyse and monitor social indicators and to review public policies, budgets and programmes that impact on people's well-being;
- Improve coordination among agencies dealing with social and economic policy; and
- Build a consensus among public, private and civil society actors on the most effective means to tackle poverty in their country.

Almost half of the projects originated in low-income countries, and about 40 per cent in least developed countries. In terms of human development, more than 40 per cent of the proposals have come from countries with low human development status, with a further 50 per cent belonging to the medium human development category. A large number of projects are assisting national partners to assess the magnitude and distribution of poverty nationwide, through support to household surveys, poverty assessments, national human development reports and other mapping exercises. Emphasis is placed on supplementing income and expenditure data with more qualitative indicators of poverty and well-being, gathering and analysing data disaggregated down to the district or provincial level, and strengthening national and subnational capacities for poverty mapping and measurement.

In 71 countries, support is being given to the improvement of in-country capacity for poverty monitoring and analysis on an ongoing basis, for example through the establishment of national poverty monitoring systems that will assist in developing policies by providing systematic information on social indicators and poverty trends. Support to institutional and policy review is another major area of focus of the Initiative. PSI projects are helping to assess the impact of economic reform and adjustment policies on poor and vulnerable groups, of future trends in the labour market, and of existing mechanisms for social service delivery. The strengthening of social safety nets and support to microfinance and to small and micro-enterprises figure prominently in a number of country projects. Work on basic social services is picking up with the recent $3 million contribution from the Government of Norway for support to the conclusion and implementation of 20/20 agreements. UNDP support is also helping to open up political space for a debate on development policies and priorities, especially the interplay of growth, poverty and distribution issues. PSI projects facilitate broad discussions involving government officials, private sector leaders, civil society and experts, which serve as a springboard for reaching wide consensus on the main pillars of a national strategy for poverty reduction.

LIST OF APPROVED PSI PROJECTS, BY COUNTRY
ACCORDING TO HUMAN DEVELOPMENT LEVEL

Low human development	Medium human development	High human development
Afghanistan	Armenia	Fiji
Angola	Azerbaijan	Latvia
Bhutan	Botswana	Mexico
Burkina Faso	Bulgaria	Poland
Cambodia	China	Thailand
Central African Republic	Cook Islands	Trinidad and Tobago
Djibouti	Cuba	United Arab
Ethiopia	Dominican Republic	Emirates
Gambia	Gabon	
Ghana	Georgia	
Guinea Bissau	Grenada	
Kenya	Guatemala	
India	Guyana	
Malawi	Honduras	
Mali	Iran (Islamic Republic of)	
Mauritania	Jordan	
Myanmar	Kazakstan	
Nepal	Kyrgyzstan	
Senegal	Lebanon	
Sudan	Lithuania	
Togo	Maldives	
Uganda	Moldova	
United Republic of Tanzania	Mongolia	
Yemen	Morocco	
	Namibia	
	Nicaragua	
	Niue	
	Papua New Guinea	
	Paraguay	
	Romania	
	Samoa	
	South Africa	
	Turkey	
	Turkmenistan	
	Ukraine	
	Uzbekistan	
	Vanuatu	
	Viet Nam	
	Zimbabwe	

Annex VI

CAPACITY-BUILDING IN GOVERNANCE: COUNTRY EXAMPLES

UNDP supports governance capacity-building activities in a number of focus areas at the country level. These include:

(a) Support to governance institutions, including the judiciary, parliament and electoral bodies. Examples include technical cooperation to strengthen the parliament and judiciary in Moldova and Peru; providing support to the electoral processes in Bangladesh and the United Republic of Tanzania; and providing assistance to national ombudsmen in El Salvador, Guatemala and Latvia.

(b) Support to decentralization and local governance. Examples include strengthening the capacities of the District Development Committees and Village Development Committees in Nepal, and providing support to the formulation of a national decentralization strategy framework in Mozambique. Global programmes include the Local Initiative Facility for Urban Environment, which provides support for low-cost urban environmental projects at the community level in 12 pilot countries. The overall aim is to promote capacity-building of local institutions through a process of "local-local dialogue".

(c) Providing support to public and private sector management. Examples include supporting civil service reform in Eritrea and Zambia; supporting public enterprise divestment in Guyana; promoting private sector development in Egypt; and strengthening economic and financial management in Yemen. Global level programmes include the United Nations International Short-Term Advisory Resources (UNISTAR), which had assisted more than 600 private and State-owned businesses in 50 countries by the end of 1996. Advisory assignments ranged from support for the financial restructuring of state-owned airlines in the Commonwealth of Independent States region to the introduction of energy-efficient coal-fired stove technologies for the rural poor in China.

(d) Providing support for comprehensive governance programmes that include several governance components that aim to complement each other in a synergistic manner and target the governance system as a whole, encompassing the relationships among public institutions, private sector and civil society. Examples of such activities include providing support to the Government of Bangladesh in its implementation of a National Programme on Public Management for Good Governance. The main objective of the Programme is the development of existing national capacities to initiate and manage change processes in key governance institutions and systems; providing support to the various components of the Government of Mongolia's Management Development Programme. This programme is designed to enhance effective and efficient management capacities for the public and private sectors in the context of a market economy and a democratic society; and initiate a programme of support to the Palestinian Authority in the area of governance and public administration with the overall aim of strengthening and improving its institutional capacity.

UNITED NATIONS

DP

Executive Board of the United Nations Development Programme and of the United Nations Population Fund

Distr.
GENERAL

DP/1997/16/Add.1/(Part I)
3 March 1997

ORIGINAL: ENGLISH

Annual session 1997
12-23 May 1997, New York
Item 8 of the provisional agenda
UNDP

REPORT OF THE ADMINISTRATOR FOR 1996 AND RELATED MATTERS

Addendum

MAIN PROGRAMME RECORD

REGIONAL BUREAU FOR AFRICA

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I. INTRODUCTION

1. Economic growth in sub-Saharan Africa is now on an upward trend, reaching an average annual growth of 4.2 per cent in 1996, and reflecting the fact that more than 40 countries have embarked on economic reform programmes. From an average annual growth rate of 1.9 per cent in the 1980s, real annual GDP has grown an average of 2.5 per cent since 1990. Inflation remains high, continuing to exceed 20 per cent on average throughout the region. Investment and saving ratios are still very low.

2. The Regional Bureau for Africa (RBA) is currently supporting programmes for the development of economic management capacity in some 36 countries. This support has been instrumental in the design and implementation of sound and stable macroeconomic policies. Using UNDP-supported macroeconomic models and project investment models, national officials have been able to prepare policy framework papers for their discussions with the International Monetary Fund (IMF). These models are also used to prepare public expenditure reviews and public investment programmes for round table and consultative group meetings.

3. Politically, the region is experiencing a stronger transition to representative democracies. Over 30 countries have commenced the process of moving towards pluralistic, democratic systems, thus building upon the experience of a few countries with longstanding democratic traditions. The support of RBA for these countries has focused on managing electoral processes, strengthening judicial systems and enhancing capacities for conflict prevention, management and resolution. This support has contributed to peace and to the design and implementation of rehabilitation and reconstruction programmes in, for example, Sierra Leone, Mali and Mozambique.

4. Despite promising achievements in 1996 and overall positive development trends, two challenges remain. Policies and practices which will enable African countries that are on the upward trend to consolidate economic and political gains and others to commence the process towards stability and economic progress will have to be continued and increased financial support will have to be mobilized from a variety of sources including more far-reaching debt relief, better terms of trade through access to external markets, schemes designed to improve the level of private flows, reprogramming of available resources, and, most important, additional aid resources for Africa.

5. These challenges are consistent with those addressed by the United Nations System-wide Special Initiative on Africa, which was launched in March 1996. To meet them, RBA has set several specific regional targets for achieving sustainable human development. Its programmes and policy advice are aimed at: (a) fostering good governance, including capacity development, which can ultimately lead to sustained economic and political reforms, peace, democracy and the elimination of poverty; (b) reducing poverty and social exclusion and fostering sustainable, job-creating, equitable and environmentally sound development; (c) finding a concrete solution to alleviate the debt burden of the poorest, most indebted countries; (d) improving access to international markets with a view to integrating Africa into the global economy and mitigating the possible negative short-term impacts of the Uruguay Round; (e) reversing the

downward trend of the official development assistance (ODA), and at the same time, ensuring that external assistance is used more effectively and efficiently for the development of social sectors and basic infrastructure; (f) promoting increased private flows through foreign direct investment; (g) promoting active regional integration and cooperation; and (h) improving coordination of aid from donors and ensuring that external assistance is consistent with Africa's development priorities.

6. Throughout 1996, RBA has successfully advocated, in regional and international forums, that a new development partnership between donors and African countries should take account of the many and varied initiatives and plans already under way. These include the Cairo Agenda for Action adopted by the summit of the Organization of African Unity (OAU) in June 1995, the United Nations New Agenda for the Development of Africa in the 1990s, and the United Nations System-wide Special Initiative on Africa, as frameworks for defining the vision of Africa as seen by African leaders.

7. Within the United Nations system, RBA has taken an active role in promoting and strengthening UNDP's partnership in the implementation of the United Nations Special Initiative on Africa and the refocusing of the New Agenda for the Development of Africa.

II. OPERATIONALIZING SUSTAINABLE HUMAN DEVELOPMENT AND STRENGTHENING COUNTRY OFFICES AND HEADQUARTERS

8. Finding creative solutions to cope with poverty is one of the greatest challenges facing the continent. If present trends continue, by the year 2000 the number of people living in poverty is expected to jump to 304 million or roughly 50 per cent of the region's population.

9. In 1996, RBA actively supported 23 programme countries in implementing policies and programmes which are instrumental in eradicating poverty. Several policy and programme instruments were employed in this effort.

10. Poverty profiles and public expenditure reviews that provide a statistical overview of the extent of poverty were prepared, jointly with the World Bank, for Burkina Faso and Togo.

11. An information system to prepare national human development indexes and to assess and monitor the impact of policies and programmes on the reduction of poverty was designed in Benin.

12. Resources were mobilized to support the implementation of poverty eradication programmes during the round tables for the Congo, Namibia and Sierra Leone, where poverty programmes were presented to donors for funding.

13. To enhance the impact of UNDP support for poverty eradication, these activities will be implemented in the framework of the United Nations System-wide Special Initiative on Africa, which focuses on key poverty-sensitive areas such as basic education, basic health, governance, food security, water, and sanitation and peace-building.

14. RBA supports job creation, mainly through private sector development and community-based programmes. The ongoing African Project Development Facility (APDF) was created in 1986 jointly with the African Development Bank (ADB) and the International Finance Corporation (IFC). The programme is managed by teams in the subregional offices in Abidjan, Nairobi and Harare, and helps identify and prepare small and medium-sized projects ranging from $500,000 to $5 million. In addition to the founders, funding is provided by Denmark, Finland, France, Italy, the Netherlands, Sweden, the United Kingdom and the United States of America. Since its inception, a total of $271 million is estimated to have been invested in the Facility, with over 160 projects completed, and over 14,000 jobs generated. Entrepreneurs in 29 countries have benefited from the programme.

15. Empresas Technologica (EMPRETEC), a facility developed in Argentina to support small and medium-sized enterprises through provision of technical assistance, financial advice, training and fostering linkages among the participating countries, has been introduced in Ethiopia, Ghana, Nigeria and Zimbabwe. It has helped launch more than 250 new African businesses in such areas as agro-industry, plastics, chemicals, and textiles and assisted over 300 enterprises to refocus, expand and modernize their existing operations. More than 70 business linkages have been established between enterprises utilizing the EMPRETEC facility, and over 100 national and international firms are now linked with EMPRETEC entrepreneurs. Furthermore, EMPRETEC is pursuing collaboration with multinational corporations to develop an EMPRETEC subcontractors' system which will give priority to women subcontractors. This is already being done in Ethiopia. The EMPRETEC programme is expected to be adopted by Botswana and South Africa in the near future.

16. UNDP, together with the IFC and the Industry Council for Development, founded the African Management Services Company (AMSCO) to strengthen management capacity in Africa. Other donors who support the initiative include Belgium, Denmark, Finland, Germany, Italy, the Netherlands, Portugal, Sweden, Switzerland, the United States of America and the African Development Bank. With the backing of over 40 transnational corporations, AMSCO has created and sustained 10,000 jobs. It provides training facilities for African management teams and has trained 104 local key managers. It helps financially viable enterprises to access financing, capital, foreign markets and the services of experts. Since its inception, it has provided assistance to over 200 firms. A recent appraisal concluded that of these firms, 66 per cent realized increased profits following AMSCO's support.

17. In 1996, RBA introduced a private sector consultation module in round table conferences for the Congo and Sierra Leone. In addition, an in-country private-sector round table was held in Mali in November.

18. A 20-year campaign to end onchocerciasis (river blindness) reached a successful conclusion in 1996. UNDP provided support of more than $2.8 million in 1996, and in collaboration with the World Bank, the United States and other bilateral donors, helped in virtually eliminating the disease from the Niger and Volta river basins. As a result nearly one million people from 10 countries were able to move back to the region, reclaiming the rich farmland to sustain their livelihoods.

19. RBA implemented in 1996 the Africa 2000 Network programme, with funding of more than $1 million. This is a high-impact, quick-acting programme for sustainable livelihoods. The overriding development objective of the Network is to improve the livelihoods of those living in rural communities in sub-Saharan Africa. An effort is made to offer individuals increased control over their resources in order to realize their aspirations. This is achieved by enhancing the role of women, building capacity to initiate similar projects and broadening the opportunities for community resource mobilization in an environmentally sustainable manner. The network encourages villages, African-based grass-roots groups and non-governmental organizations (NGOs), through small grants of up to $50,000, to engage in community-based activities intended to promote local livelihoods and sustain the environment. In 1996, over 500 projects were funded in 15 countries.

20. During 1996, the RBA gender programme continued to give priority to the development of an integrated strategy for mainstreaming gender concerns into African development planning and policy analysis, research agendas and NGO development and management. Support was given, in particular, to the regional institutions, the Council for the Development of Economic and Social Research in Africa, the African Institute for Economic Development and Planning and the Pan-African Institute for Development, to assist in the building of capacity to integrate gender into their research and training activities. A Regional Gender Advisor was outposted to assist in the acceleration of the gender mainstreaming process in countries in crisis and recovery.

21. Through its Africa 2000 Network project, RBA provided technical assistance to enable village women to regenerate their environment, establish viable small industries and make meaningful contributions to development.

22. RBA also developed a strong collaboration with Women's World Banking (WWB) and leading African microfinance practitioners. This collaboration resulted in the UNDP-WWB Best Practice Workshop of African Microfinance Institutions held in Bamako, Mali in June, and the preparation of a regional programme to build and strengthen women-led microfinance institutions and network in Africa.

23. In the new cycle, mainstreaming efforts will be intensified as part of a commitment to encourage and support countries' efforts to implement the Platform for Action of the Fourth World Conference on Women. Capacity-building initiatives will be on a wider scale, utilizing the experiences of the last five years. A main objective is to improve the incorporation of gender considerations into RBA programming, both at policy and operational levels, to ensure that sectoral initiatives will both promote and benefit from a gender perspective.

24. UNDP, particularly through the Office to Combat Desertification and Drought (UNSO), is providing support for the launching of the National Action Programme (NAP) processes in 16 African countries. Support is also being provided to subregional organizations. In line with the country-driven and flexible nature of UNDP support, initial NAP support activities differ among countries. With the United Nations Volunteers (UNV), RBA has embarked on a two-year programme that will attach United Nations Volunteers to the national coordinating bodies in 15 African countries. Volunteers will assist in initiating and

institutionalizing participatory planning processes in the spirit of the Convention to Combat Desertification and promote capacity-building in civil society organizations for the implementation of the Convention and the establishment of national desertification funds.

25. RBA work in support of the efforts of countries to set up national desertification funds has intensified, with catalytic support being provided to 18 countries in Africa to set up task forces to spearhead the design process. It is expected that in 1997, around 10 countries will reach consensus on how the funds will be set up and operate.

26. The portfolio of the Global Environment Facility (GEF) in Africa consists of 23 projects, 16 enabling activities, and 16 project development funds (PDFs) which amounted to about $85 million in 1996. These efforts were designed to help combat environmental problems in preservation of biodiversity, prevention of global warming and protection of international waters.

27. Of the GEF activities in Africa, a total of four projects, 16 enabling activities and five PDFs totalling $21.7 million were developed and approved during 1996. There are a significant number of project proposals in the pipeline, the development of which will be enhanced by the provision of baseline funding or co-financing through the UNDP's target for resources assignment from the core (TRAC).

28. UNDP is the joint lead agency, with the Economic Commission for Africa (ECA), of the governance component of the Special Initiative on Africa. RBA, on behalf of UNDP, has developed, in consultation with other United Nations agencies, a strategic framework called the Special Initiative on Governance in Africa (SIGA), which identified five categories under which the interventions of United Nations system agencies on governance could be rationalized. These are leadership building, accountability, civil society empowerment, political transition, and peace and stability.

29. RBA had supported some of these governance priority areas in Africa even before the development of SIGA. With the existence of SIGA, RBA assistance is now more focused and substantive. The Government of Norway has contributed $10 million to a UNDP trust fund which is being used to support the national governance programmes being formulated in Cameroon, Ethiopia, Mali, Senegal, Sierra Leone and Swaziland.

30. To leverage upon these successful experiences and increase donors' awareness of governance as a priority development issue for Africa, UNDP is organizing an Africa Governance Forum, which will be held in Addis Ababa in July 1997 and attended by African Ministers and donor representatives. It has also been agreed with the Government of Japan that the second Tokyo International Conference on African Development, which is scheduled for 1998, will have governance as a key sector for review.

31. UNDP also launched a series of programmes to enhance development management capacities in Africa. These programmes, such as the National Long-term Perspective Studies (NLTPS) project, based in Côte d'Ivoire, and the African

Capacity-building Foundation, based in Zimbabwe, have enhanced senior and middle level civil servants' expertise in development management.

32. RBA intends to continue to give African leaders at the highest level opportunities to enhance their awareness of leading topical development issues and to hone their expertise in economic management. UNDP, in partnership with the Harvard Institute for International Development, organized a high-level seminar in economic management for ministers of finance from some 22 countries in September. The Seminar aimed at enhancing the Ministers' awareness of emerging development trends and leading topical macro-economic issues and bolstering their overall capacities in policy dialogue with their international development partners and in internal policy coordination with other ministries.

III. NEW PROGRAMMING ARRANGEMENTS AND DELIVERY

33. RBA provided full support to country offices in the preparation, submission and review of programme instruments consisting of advisory notes, country cooperation frameworks (CCFs) and requests for release of resources for advanced programming (Annex II gives a comprehensive picture of the schedule of programming instruments in Africa.)

34. By the end of 1996, 12 advisory notes had been approved by the Programme Management Oversight Committee. Six CCFs were prepared and finalized for Eritrea, Ethiopia, Kenya (extension), Mauritania, Namibia and Uganda. Total or partial approval authority for TRAC 1 was delegated to resident representatives.

35. Out of a total fifth cycle IPF entitlement of $1,257,649,000, 68 per cent was spent as of December 1995, 23 per cent was committed for 1996, and 9 per cent will be carried over to the next cycle. Actual delivery for the full cycle is estimated at 84 per cent. RBA's non-core resources for the fifth cycle amounted to $478,797,000, almost equally distributed among trust funds, cost-sharing and management services agreements.

36. Delivery followed a downward trend during most of the fifth cycle. A number of constraints were identified. One problem is the diversity of focal points at the government level in nationally executed projects. Another is weakness of programmatic and technical capacity at national level. The Government does not always have a coherent plan or programme framework; thus many programmes are operating in a "policy vacuum." Donors' support was not always forthcoming in the programme approach framework. UNDP procedures on the programme approach and national execution are perceived as cumbersome for both Governments and donors. Finally, delays in reporting and in submitting audit reports on nationally executed programmes cause a time lag in recording actual delivery.

37. Country offices and Headquarters collaborated to address the delivery issue during cluster meetings of resident representatives and deputy resident representatives held in June and July. Training sessions on the new programming arrangements were also conducted at these meetings and at Headquarters. As the result of the dialogue between Headquarters and country offices, a number of actions were agreed upon to improve delivery. One was agreement to use the

preparatory assistance modality to facilitate the elaboration of programme support documents (PSDs) and programme support implementation arrangements (PSIAs) simultaneously with the PSDs. Another approach is to use the advance authorization modality to enable the early launching of programme/project activities. It was agreed that strong linkages with officials of key ministries should be cultivated in order to provide critical support to UNDP programme/project activities. Finally, in view of the growing use of the national execution modality, establishment of programme support units and systematic training of government counterparts and UNDP staff should be undertaken. As a result, RBA has registered a significant improvement in 1996, with a delivery level estimated at $205 million, representing an increase of 31 per cent compared to 1995's level.

38. To speed up the release of the $273 million in TRAC resources for advance programming in Africa, RBA sent all country offices "Guidelines on Advance Programming" and action plans to enhance programme delivery. A number of countries designed and began implementation of programmes using the advance programming modality, including Angola, Comoros and Malawi.

39. Under TRAC 1.1.3., nine programmes were approved in 1996: Angola received $2.5 million for demobilization; Liberia, $500,000 for rehabilitation; Mali, $200,000 for reintegration; Rwanda, $2.5 million for capacity-building and rehabilitation; Sierra Leone, $1 million for rehabilitation and reconstruction; the Great Lakes Region, $700,000 for information coordination in refugees areas; and the Horn of Africa, $250,000 for designing a strategic framework for renabilitation. Burundi and Mozambique have been allocated $500,000 and $1 million respectively.

IV. ADVOCACY, BUILDING PARTNERSHIPS AND CONSTITUENCIES AND MOBILIZING RESOURCES FOR SUSTAINABLE HUMAN DEVELOPMENT

40. During 1996, RBA organized discussions, lectures and meetings, and published reports and documents, on African development issues, with a special focus on areas related to sustainable human development (SHD). Ten discussion series lectures were organized in 1996 with guest speakers from renowned African and international institutions, and with participation from UNDP and other United Nations bodies and agencies. On behalf of UNDP, the senior management of RBA delivered some 36 statements on African development issues during major international and interregional conferences and forums.

41. To increase awareness of African development issues and priorities, members of the senior management of RBA were interviewed on Radio France International, Voice of America, Africa # 1, and United Nations Radio and by media at the country level. Discussion centred on the launching of the United Nations Special Initiative on Africa, the Human Development Report 1996 and the Decade for the Eradication of Poverty.

42. In 1996 RBA established an active home page on the Internet with information on the United Nations Special Initiative on Africa, RBA programmes, the Great Lakes initiative, news updates, country information updates, and links to other websites. RBA organized two subregional workshops with government

officials and representatives of civil society and the private sector to promote the use of the Internet for advocacy of SHD.

43. The total estimated non-core resources mobilized in 1996 stood at $153 million, representing an increase of 20 per cent over 1995. This confirms the growing dynamism of RBA in mobilizing non-core resources and the steady progress made in this area over the cycle. As compared to 1993, non-core resources mobilized in 1996 represent an increase of 200 per cent. In 1996, 22 African countries pledged contributions to UNDP for a total amount of $728,391, compared to 17 pledges made in 1995, for a total amount of $621,555.

44. RBA played a catalytic role, particularly in countries under special development circumstances, in supporting humanitarian, demilitarization and rehabilitation efforts. Three new trust funds were created in 1996, for Angola ($8 million), Mali ($10 million) and Sierra Leone ($3 million). Four round tables were organized for the Congo ($618 million), Rwanda ($617 million), Sierra Leone ($230 million) and the Great Lakes region ($70 million). Eight in-country sectoral consultations were also supported.

V. STRENGTHENING UNDP PARTNERSHIPS IN THE UNITED NATIONS SYSTEM

45. Three UNDP-supported mechanisms have been instrumental in bringing the development partners and internal actors together to solve development problems. The national long-term perspective studies (NLTPS), national human development reports (NHDRs) and country strategy notes (CSNs) have all proven to be high-quality instruments for policy dialogue.

46. With NLTPS, UNDP has assisted Côte d'Ivoire, Mauritius, Gabon, Guinea-Bissau, Madagascar, Malawi, Sao Tome and Principe and Zambia to design long-term development strategies, with a national vision and agreed development objectives which reflect society's collective preferences. In countries where NLTPS have been implemented, macroeconomic policies and sectoral investment programmes and development projects have been set in an agreed long-term development framework. This has enhanced their acceptance by internal as well as external actors. The NLTPS programme has been evaluated externally, and was rated successful.

47. Côte d'Ivoire Vision 2025 was prepared with the participation of government officials, civil society, academia, the private sector and local communities. The country is in the process of operationalizing the results of this NLTPS exercise. It has established a Strategic Planning and Futures Studies Unit located in the President's Office. Its mandate is to translate the national vision into specific targets and implementable strategies, to identify and implement action plans and to bring together all relevant players and develop ownership of the strategic planning process.

48. To achieve these objectives, the Strategic Planning Unit is creating a National Strategic Council. Its primary task will be to validate the results of Côte d'Ivoire Vision 2025 and translate the objectives in strategies and action plans, covering five and 10-year periods. In terms of value added and impact, the process has helped create a national capacity for future studies. A multidisciplinary group of 30 people from the University, national research

institutes, NGOs, the private and public sectors and the Army participated in the exercise as experts to assist the national team. Another potentially significant impact is the opening of the administration to researchers, academicians and the private sector. In addition, the process brought together personalities of different political sensitivities to address common objectives and shared values for a collective effort in the national interest.

49. NHDRs prepared by Benin, the Central African Republic, Mauritania, Namibia, Sierra Leone, Togo and Uganda enhanced internal policy dialogue and engaged participation of external partners. Togo's NHDR helped establish an internal policy dialogue among civil society, the private sector, media, academia, local communities, civil servants, political parties, parliamentarians and the Government. The exercise led to the setting of national development priorities, policies and programmes which were then discussed in a national forum with the participation of donors. The forum agreed to support the development priorities through two major programmes: poverty eradication and building of economic management capacity. At the request of the Government, UNDP led the donor community assistance in preparing the two programmes, which were approved and signed by the Prime Minister during an official visit of RBA regional directors. In the framework of the NHDR, the Government, UNDP and the World Bank prepared a public expenditure record (PER) to assess the impact of policies, programmes and budget on social development and to outline effective measures to achieve SHD. This tripartite exercise was commended by the top management of the Bank and by the Government. Throughout the process the capacity of nationals to prepare NHDRs and PERs has been enhanced. Currently a national team is preparing the next PER and regional human development reports, to bring the policy dialogue to the local level. As a result of this and other successful experiences all RBA programme countries have planned to prepare an NHDR for 1997.

50. As of December 1996, 20 programme countries in RBA had formulated country strategy notes (CSNs) and 13 countries had prepared common country assessments (CCAs) under the leadership of the resident coordinators. All country offices have established units or focal points for the support of the follow-up to United Nations conferences.

51. All United Nations resident coordinators in Africa have been instructed to work closely with the United Nations country teams in initiating and maintaining dialogue with Governments and civil society. Those assigned to Ethiopia, Ghana, Mozambique and Namibia have agreed to lead their United Nations country teams in retreats, in some cases involving Government.

52. Addressing the general concern that support for Africa is on the wane at a time when countries are making tremendous efforts to lay the groundwork for sustainable economic growth, the Secretary-General of the United Nations launched, on 15 March 1996, the United Nations System-wide Special Initiative on Africa, involving an unprecedented set of coordinated actions designed to maximize support for African development efforts through the combined resources of the United Nations system. It is the first time that the entire United Nations system, including the World Bank and IMF, has committed itself to working in a synergistic manner to support the sustainable development of a continent's people.

53. The Governments of Côte d'Ivoire, Ethiopia, Ghana, Mozambique, Senegal and Sierra Leone are working closely with the World Health Organization (WHO) and the World Bank in areas of health sector reform. Similarly, with support from the World Bank and the United Nations Educational, Scientific and Cultural Organization (UNESCO), the Governments of Comoros, Ethiopia, Ghana, Malawi, Mali, Mauritania, Mozambique and Zambia have programmes in education at various stages of preparation. The Governments of Ethiopia and Namibia have requested support in the water sector, and those of Cameroon, Ethiopia, Senegal and Togo have expressed interest in governance programmes. This array of activities demonstrates growing involvement in several countries which are planning to utilize the Special Initiative as a framework for sector investment programmes, supported by the World Bank and the appropriate United Nations agencies. Mechanisms to garner full donor support are already in place, as well-prepared sector investment programmes will be, or in some cases have been, approved in consultative group or round table meetings. An added feature is the incorporation of sector investment programmes in discussions sponsored by the World Bank on the Special Programme for Africa (SPA).

VI. UNDP PERFORMANCE IN COUNTRIES IN CRISIS AND OTHER SPECIAL CIRCUMSTANCES

54. In 1996, a number of African countries encountered special development situations with the collapse of public and social services, disruption of economic activities, insecurity and armed conflict, the breakdown of law and order, massive population displacement and widespread human suffering. Eight of the 46 countries in which RBA has programmes, Angola, Burundi, the Central African Republic, Liberia, Mozambique, Rwanda, Sierra Leone and Zaire, are characterized as countries in crisis or emerging from that status.

55. The Bureau supported conflict prevention in the Central African Republic, conflict resolution in Mali and Sierra Leone, peace-building in Liberia and post-conflict recovery and rehabilitation programmes in Angola, Mozambique and Sierra Leone. In Rwanda, RBA designed, in association with other agencies, strategic frameworks for the coherent implementation of relief-to-development operations.

56. RBA works closely in association with the UNDP Emergency Response Division, the United Nations Department of Political Affairs and the United Nations Department of Humanitarian Affairs to respond to crisis situations with appropriate political, humanitarian, peace-keeping and developmental interventions. In the crisis countries, the United Nations country team (disaster management team), under the leadership of the Resident Coordinator, normally has responsibility for determining the scope of the emergency and the extent of in-country preparedness and capacity, and for certifying the resource requirements for a coordinated and coherent United Nations response. This is done through situation analysis reports to the United Nations and UNDP.

57. There are three stages to RBA's response to crisis situations. The first is to attempt to anticipate a crisis and prevent it from occurring or from spreading to a wider scale. This was the case in the Central African Republic, where UNDP successfully supported mediation efforts. The second stage is to

support local, community and national initiatives aimed at saving lives and protecting livelihoods during crisis. In the Gambia and Sierra Leone, UNDP supported grass-roots poverty alleviation programmes. The third stage, once the crisis is contained, is to stimulate recovery, by recreating accountable systems of governance, reviving commercial and economic activity, promoting social cohesion, rebuilding infrastructure, restoring health and education services and encouraging individual enterprises. These activities took place in Angola, Mozambique, Rwanda and Sierra Leone.

58. In 1996, RBA enhanced its response to crisis by initiating and leading multi-agency country assessment and evaluation missions for emergency assistance. This approach was applied in Rwanda, and led to the design of a strategic framework within which all emergency support operations and assistance are implemented. This approach has been started in the Central African Republic, and will also be applied in Zaire.

59. UNDP played a key role in the return to democratic government in Sierra Leone through support for the electoral and peace processes. When the democratically elected President took office on 29 March 1996, the way had been paved for a peaceful transition to civilian rule. UNDP assisted the Government of Sierra Leone and the Revolutionary United Front in their negotiations towards a peace agreement, designed to ensure, in conjunction with the Government's programme for good governance which emphasizes decentralization, transparency and accountability, a lasting peace.

60. UNDP also assisted the newly elected Government in formulating the National Programme for Reconciliation, Rehabilitation and Reconstruction (NPRRR). This will underpin the peace process by enabling the internally displaced population, refugees and ex-combatants to return to their homes and restart their normal lives. This programme was presented to a round-table consultation with donors in September 1996, followed by consultation with the private sector. Funding for the NPRRR was estimated at $211 million, and the Consolidated Appeal Update at $28 million. The favourable reaction of the donors to this approach was reflected in their announcements of commitments at the conference of approximately $250 million, with more expected from subsequent consultations with donors who were unable to express firm commitments at the consultation. Intensive follow-up is under way. A World Bank-led Consultative Group Meeting, scheduled for March 1997, will discuss a poverty alleviation programme and a governance programme prepared with the assistance of UNDP.

VII. BUILDING A LEANER AND MORE ACCOUNTABLE LEARNING ORGANIZATION

61. In the framework of the implementation of the 1996-1997 budget strategy, RBA has reduced the Headquarters and field offices operating budget by more than 10 per cent. This resulted in a reduction of staff. In terms of structures, the number of Headquarters divisions was reduced from four to three. Country offices also reconfigured their structures by consolidating operational units.

62. In 1996, RBA implemented a human resource development strategy, in the context of which training sessions were organized on such topics as programme

management, time management, operations management, administrative and clerical procedures and computer software.

63. A programme review management team exercise was conducted in Ethiopia and Niger and an exchange of National Officers was implemented. RBA has established in Cameroon, Mali and Zimbabwe centres of experimentation which are successfully implementing the concept of UNDP networking with national and regional institutions to support programme countries.

Annex I

UNDP/RBA SUPPORT	Number of initiatives	Approved UNDP core resources (%)	Cofinancing: government and third party cost-sharing, trust funds (%)
A. BROAD PROGRAMME AREAS			
I. Poverty elimination	X	36.9	12.0
II. Gender	X	02.0	01.1
III. Environment	X	19.7	14.0
IV. Governance	X	33.0	15.0
V. Humanitarian and disaster management	X	08.4	57.9
VI. Inter-agency activities	X	X	X
B. NON-PROGRAMMING ACTIVITIES			
I. NHDRs	-7		
II. CCFs	-6		
III. CSNs	-20		
IV. Country assessment	-13		
V. Common premises	-19		
VI. Other	X		

ANNEX II

Regional Bureau for Africa

Schedule of preparation of policy and programming instruments pertaining to the successor programming cycle

(as of 28 February 1997)

Countries	Country Strategy Note	Common Country Assessment	Advisory Note	National Human Development Report	Country Cooperation Framework	TRAC expenditure			COMMENTS
						$ amount requested	Date request received	Date request approved	
Angola	3/97		Approved PMOC 2/97	12/97	Executive Board 9/97				
Benin	Submission to HQ 11/96	7/97	Approved PMOC 11/96	12/96 12/97	Executive Board 9/97				
Botswana	Approved 11/96		Submission to HQ 2/97	12/97	Executive Board 9/97				
Burkina Faso	1/97		Submission to HQ 1/97	3/97	Executive Board 9/97				
Burundi			Submission to HQ 9/97	12/97	Executive Board 1/98				N/A at this time
Cameroon		7/96	Submission to HQ 2/97	3/97	Executive Board 9/97				
Cape Verde			Currently in HQ	1/97	Executive Board 9/97				
Central African Republic	12/96		Submission to HQ 5/97	4/96 7/97	Executive Board 9/97				New Government after second mutiny, humanitarian assistance under negotiation
Chad	9/96		Submission to HQ 2/97	12/97	Executive Board 9/97				Draft consultative note sent to HQ in August 1995
Comoros	Adopted by Government 6/95		Approved PMOC 11/96	7/97	Executive Board 5/97				

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Countries	Country Strategy Note	Common Country Assessment	Advisory Note	National Human Development Report	Country Cooperation Framework	TRAC expenditure			COMMENTS
						$ amount requested	Date request received	Date request approved	
Congo			Submission to HQ 2/97	6/97	Executive Board 9/97				CSN process to start after RT, November 1996
Côte d'Ivoire			Submission to HQ 3/97	9/97	Executive Board 9/97				
Equatorial Guinea			Submission to HQ 2/97	1/97	Executive Board 9/97				
Eritrea	7/97		Approved PMOC 11/96	5/97	Executive Board 3/97				
Ethiopia		7/96	Approved PMOC 11/96	6/97	Executive Board 3/97				1995 Human Development Report launched on 17 August 1995
Gabon	1/97		Submission to HQ first quarter of 1997	7/97	Executive Board 9/97				
Gambia			Submission to PMOC 3/97	3/97	Executive Board 9/97				
Ghana	5/95		Submission to HQ 3/97	3/97	Executive Board 9/97				
Guinea	11/96		Submission to HQ 3/97	4/97	Executive Board 9/97				
Guinea-Bissau			Currently in HQ	3/97	Executive Board 9/97				
Kenya	Launched		CP to be extended 1 year	9/97	Executive Board 3/97				AN & CCF to be finalized end of 1997
Lesotho			Approved by PMOC 12/96	12/97	Executive Board 5/97				Government has no interest in CSN, no value added

Countries	Country Strategy Note	Common Country Assessment	Advisory Note	National Human Development Report	Country Cooperation Framework	TRAC expenditure			COMMENTS
						$ amount requested	Date request received	Date request approved	
Liberia			N/A	1998					Schedule of the preparation of the next CP is not foreseeable
Madagascar	3/97	1/97	Triennial review 2/97	2/97					CP valid until end of 1998
Malawi	8/96		Currently in HQ	5/97	Executive Board 9/97				
Mali	9/96	7/96	Submission to HQ 3/97	12/95 9/97	Executive Board 1/98				
Mauritania	12/96	7/96	Approved PMOC 12/96	12/96 12/97	Executive Board 3/97				
Mauritius	6/95	9/96	Approved PMOC 2/97	7/97	Executive Board 9/97				
Mozambique	8/95	6/97	Submission to HQ 9/97	12/97	Executive Board 1/98				CP valid until end of 1997
Namibia	8/96		Approved PMOC 9/96	9/96 9/97	Executive Board 3/97				
Niger	10/96	10/96	Submission to HQ 6/97	6/97	Executive Board 9/97				
Nigeria	5/96		Approved PMOC 9/96	1/97	Executive Board 9/97				
Rwanda	10/97	12/96	Submission to HQ 7/97	6/97	Executive Board 9/97				
Sao Tome and Principe	N/A	first quarter 1997	Approved PMOC 12/96	12/97	Executive Board 9/97				
Senegal	1/97		Submission to HQ 3/97	12/97	Executive Board 9/97				
Seychelles	N/A	9/96	Currently in HQ	7/97	Executive Board 9/97				
Sierra Leone	10/96	3Q 96	Approved PMOC 12/96	9/96 12/97	Executive Board 5/97				

Countries	Country Strategy Note	Common Country Assessment	Advisory Note	National Human Development Report	Country Cooperation Framework	TRAC expenditure			COMMENTS
						$ amount requested	Date request received	Date request approved	
South Africa	3/97		Submission to HQ 4/97	12/97	Executive Board 9/97				A national reconstruction and development plan was prepared in 1996, which will lead to the preparation of a NHDR in 1997
Swaziland	TBD	10/96	Currently in HQ	7/97	Executive Board 5/97				
Tanzania	Draft 9/96		Approved PMOC 12/96	7/97	Executive Board 5/97				
Togo	fourth quarter 1996	third quarter 1996	Currently in HQ	7/96 7/97	Executive Board 9/97				
Uganda	Under consideration	Under consideration	Approved PMOC 9/96	11/96 12/97	Executive Board: 3/97				
Zaire	January 1998		Submission to HQ 3/97	1998	first quarter 1998				Owing to the current situation in Zaire, formulation of CSN and MTR are not possible at this time
Zambia	9/95	TBD	Approved PMOC 10/96	Draft 2/97	Executive Board 5/97				
Zimbabwe		1995	Submission to PMOC 2/97	12/97	Executive Board 9/97				
Regional programme			Framework approved PMOC 12/96		Executive Board 1/97				